

DRAFT AGENDA

ID	2223
Committee	Pwyllgor Craffu Trosolwg Corfforaethol
Date	05/03/2021
Attendees	<p>Cynghorwyr Stewart Healy (Cadeirydd)</p> <p>Cynghorwyr Martin Cook (Is-gadeirydd)</p> <p>Cynghorwyr Peter Baldwin (Aelod Pwyllgor)</p> <p>Cynghorwyr Garth Collier (Aelod Pwyllgor)</p> <p>Cynghorwyr Malcolm Cross (Aelod Pwyllgor)</p> <p>Cynghorwyr Gareth A. Davies (Aelod Pwyllgor)</p> <p>Cynghorwyr D. Lyn Elias (Aelod Pwyllgor)</p> <p>Cynghorwyr John Hill (Aelod Pwyllgor)</p> <p>Cynghorwyr Julie Holt (Aelod Pwyllgor)</p> <p>Cynghorwyr Hedley McCarthy (Aelod Pwyllgor)</p> <p>Cynghorwyr Clive Meredith (Aelod Pwyllgor)</p> <p>Cynghorydd John P. Morgan (Aelod Pwyllgor)</p> <p>Cynghorwyr Greg Paulsen (Aelod Pwyllgor)</p> <p>Cynghorwyr Tommy Smith (Aelod Pwyllgor)</p> <p>Cynghorwyr Stephen Thomas (Aelod Pwyllgor)</p> <p>Michelle Morris (Swyddog)</p> <p>Damien McCann (Swyddog)</p> <p>Richard Crook (Swyddog)</p> <p>Rhian Hayden (Swyddog)</p> <p>Lynn Phillips (Swyddog)</p> <p>Clive Rogers (Swyddog)</p> <p>Bernadette Elias (Swyddog)</p> <p>Andrew Parker (Swyddog)</p> <p>Gemma Wasley (Swyddog)</p> <p>Liz Thomas (Swyddog)</p> <p>Gwasanaethau Democraidaidd (Notify)</p> <p>Leeann Turner (Secretary)</p> <p>Pob Cynghorydd (Notify)</p> <p>Louise Bishop (Notify)</p> <p>Sean Scannell (Notify)</p> <p>Steve Berry (Swyddog)</p> <p>Andrea Jones (Swyddog)</p> <p>Cynghorwyr Bob Summers (Notify)</p>

Item ID	4429
Item Title	Cyfieithu ar y Pryd
Summary	Mae croeso i chi ddefnyddio'r Gymraeg yn y cyfarfod, mae angen rhybudd o leiaf 3 diwrnod gwaith os dymunwch wneud hynny. Darperir cyfieithu ar y pryd os gwneir cais am hynny.

Item ID	4430
Item Title	Ymddiheuriadau
Summary	Derbyn ymddiheuriadau.
Item ID	4431
Item Title	Datganiadau Buddiant a Goddefebau
Summary	Ystyried unrhyw ddatganiadau buddiant a goddefebau a wnaed.
Item ID	4432
Item Title	Cofnodion Pwyllgor Craffu Trosolwg Corfforaethol
Summary	Derbyn cofnodion y cyfarfod o'r Pwyllgor Craffu Trosolwg Corfforaethol a gynhaliwyd ar 22 Ionawr 2021. (Dylid nodi y cyflwynir y Cofnodion er pwyntiau cywirdeb yn unig).
Item ID	4472
Item Title	Rheolaeth Trysorlys – Datganiad Strategaeth Trysorlys, Strategaeth Buddsoddi a Datganiad Polilisi MRP 2021/22 (yn cynnwys Dangosyddion Darbodus).
Summary	Ystyried adroddiad y Prif Swyddog Adnoddau.
Item ID	4492
Item Title	Strategaeth Cyfalaf 2021/2022
Summary	Ystyried adroddiad y Prif Swyddog Adnoddau.
Item ID	4486
Item Title	Adroddiad Monitro Bl ynyddol 2020 System CCTV Gofod Cyhoeddus
Summary	Ystyried adroddiad y Prif Swyddog Adnoddau, y Pennaeth Gwasanaethau Cymunedol a'r Prif Swyddog Interim Masnachol.
Item ID	4484
Item Title	Defnydd Ymgynghorwyr
Summary	Ystyried adroddiad y Prif Swyddog Adnoddau.

Item ID	4485
Item Title	Blaenraglen Gwaith: 16 Ebrill 2021
Summary	Derbyn yr adroddiad.

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COUNTY BOROUGH OF BLAENAU GWENT

REPORT TO: THE CHAIR AND MEMBERS OF THE CORPORATE OVERVIEW SCRUTINY COMMITTEE

SUBJECT: CORPORATE OVERVIEW SCRUTINY COMMITTEE – 22ND JANUARY, 2021

REPORT OF: DEMOCRATIC & COMMITTEE SUPPORT OFFICER

PRESENT: COUNCILLOR S. HEALY (CHAIR)

Councillors: P. Baldwin
M. Cook
G. Collier
G.A. Davies
L. Elias
J. Hill
W. Hodgins
(substituting for Cllr J.P. Morgan)
J. Holt
(substituting for Cllr L. Parsons)
H. McCarthy
C. Meredith
T. Smith
B. Summers
(substituting for Cllr G. Paulsen)
S. Thomas

AND: Corporate Director of Social Services
Corporate Director of Regeneration & Community Services
Corporate Director of Education
Chief Officer - Commercial
Chief Officer - Resources
Head of Organisational Development
Head of Governance & Partnerships
Principal Revenues & Benefits Officer
Chief Operating Officer, SRS
HR Advisor
Press & Publicity Officer
Scrutiny & Democratic Officer / Advisor

ITEM	SUBJECT	ACTION
No. 1	<p><u>SIMULTANEOUS TRANSLATION</u></p> <p>It was noted that no requests had been received for the simultaneous translation service.</p>	
No. 2	<p><u>APOLOGIES</u></p> <p>Apologies for absence were received from Councillors M. Cross, J.P. Morgan, L. Parsons and G. Paulsen.</p>	
No. 3	<p><u>DECLARATIONS OF INTEREST AND DISPENSATIONS</u></p> <p>Councillor Wayne Hodgins declared an interest in the following item:-</p> <p>Item 9 - ICT Investment Roadmap</p>	
No. 4	<p><u>CORPORATE OVERVIEW SCRUTINY COMMITTEE</u></p> <p>The Minutes of the Corporate Overview Scrutiny Committee Meeting held on 11th December, 2020 were submitted, whereupon:-</p> <p><u>Forward Work Programme</u></p> <p>In response to a Member's question regarding the timeframe for the report on the Use of Consultants, the Chief Officer Resources confirmed that the report would be presented to the next meeting of the Scrutiny Committee on 5th March, 2021 and would cover a 2 year period 2018/19 and 2019/20.</p> <p>The Committee AGREED, subject to the foregoing, that the Minutes be accepted as a true record of proceedings.</p>	
No. 5	<p><u>INFORMATION SECURITY POLICY</u></p> <p>Consideration was given to the report of the Chief Officer Resources which was presented to provide Members with an opportunity to scrutinise the revised Information Security Policy and recommend its adoption by the Council.</p>	

	<p>The Chief Officer Resources spoke to the report and highlighted the main points contained therein.</p> <p>A Member commented that it was a good policy that needed to be in place to carry out Council business and to safeguard information appropriately. He felt that Members comments regarding the current situation, had been taken on board and addressed in the policy.</p> <p>The Committee AGREED to recommend that the report be accepted and endorse Option 1; namely that the Corporate Overview Scrutiny Committee recommends that the Information Security Policy be approved by Council.</p>	
<p>No. 6</p>	<p><u>PROPOSED AMENDMENTS TO THE VIOLENCE AGAINST WOMEN, DOMESTIC ABUSE AND SEXUAL VIOLENCE POLICY</u></p> <p>Consideration was given to the report of the Head of Organisational Development which was presented to give Scrutiny Members the opportunity to scrutinise, challenge and give views on the proposed revisions to the Violence against Women, Domestic Abuse and Sexual Violence policy (VAWDASV) (“the existing policy”) (Appendix 1) in accordance with the draft amended Domestic Abuse, Violence and Sexual Violence Policy (“the amended policy”) (Appendix 2).</p> <p>The Head of Organisational Development spoke to the report and highlighted the main points contained therein.</p> <p>A Member commented on the organisations listed in Appendix 2 under Help and Support and felt that the list should be revisited to include other organisations such as Clare’s Law and Victim Support as they provided important information and support to people. He also enquired if the organisations listed still provided the same level of support, as in previous years, because of the pandemic. The Head of Organisational Development would look to include other organisations and check on the level of services delivered by the organisations listed in the Appendix.</p> <p>A Member pointed out that Appendix 1 referred to LGBT (Lesbian, Gay, Bisexual, Transgender) and enquired if this</p>	

	<p>should read LGBTQ+. The Head of Organisational Development said the policy had been developed in line with ACAS guidance in terms of research, but would look into this point.</p> <p>The Chief Officer Resources clarified that Appendix 1 was the current policy and Appendix 2 was the proposed new policy and some of the Members comments may have been addressed in the proposed new policy.</p> <p>The Committee AGREED to recommend, subject to the foregoing, that the report be accepted and endorse Option 2; namely that confirmation be sought that the help and support services delivered by the organisations listed in the Policy were currently still offering the same level of support; and other organisations that supported victims throughout Gwent be explored and added to the Policy.</p>	
<p>No. 7</p>	<p><u>ACCEPTABLE USAGE POLICY</u></p> <p>Consideration was given to the report of the Chief Officer Resources which was presented to provide Members with an opportunity to scrutinise the revised Acceptable Usage Policy and recommend its adoption by the Council.</p> <p>The Chief Officer Resources spoke to the report and advised that the policy provided guidance and an overview of the Council's expectations of the acceptable usage of systems, resources and workspaces. The policy had been revised and replaces the Council's current policies on acceptable email and internet uses.</p> <p>In relation to Local Authority equipment, both hardware and software, a Member enquired if this was for use on Council business only or could it be used for personal use subject to authorisation from the Authority. The Chief Officer Resources said that the expectation was that it would be used primarily for Council purposes, however, if there was a requirement to use it for personal use that could be considered on an individual basis.</p> <p>A Member enquired if the equipment was used for personal use would the personal information contained on the system be subject to the same scrutiny as other material used for Council business. The Chief Officer Resources</p>	

	<p>clarified that anyone using Council equipment for personal use, should be aware that the expectation was that all information held on Council equipment was subject to audit by the Council. Any personal information stored on Council equipment should be removed.</p> <p>The Committee AGREED to recommend that the report be accepted and endorse Option 1, namely that the Corporate Overview Scrutiny Committee recommends the Acceptable Usage Policy be approved by Council.</p>	
<p>No. 8</p>	<p><u>TRANS EQUALITY POLICY</u></p> <p>Consideration was given to the report of the Head of Organisational Development which was presented to give the Corporate Overview Scrutiny Committee the opportunity to scrutinise, challenge and give views on the proposed Trans Equality Policy, prior to being submitted to Full Council for approval to implement.</p> <p>The Head of Organisational Development spoke to the report and highlighted the main points contained therein which included the Council's increased commitment to equality of opportunity and diversity and human rights.</p> <p>In response to a Member's question regarding a staff champion working across all directorates, the Head of Organisational Development said that the Senior Business Partners in Organisational Development provided advice and support to Managers and the workforce, there was also a range of policies and services in place to support Managers such as the Employee Assistance scheme.</p> <p>A Member referred to the organisations listed in the Appendix under Help and Support and felt that the list of organisations needed to be revisited to include other organisations such as Umbrella Cymru, an LGBTQ+ organisation active throughout Gwent. He once again referred to the support provided by these organisations during the pandemic and suggested that the level of services currently being delivered be checked. He also enquired if the references to LGBT should read LGBTQ+. The Head of Organisational Development took these comments on board and would look at the reference to</p>	

	<p>LGBT and check that the level of services currently being delivered by the organisations listed had not been reduced due to the pandemic. She would also explore and look to include other organisations in the Appendix.</p> <p>The Committee AGREED to recommend, subject to the foregoing, that the report be accepted and endorse Option 2; namely that confirmation be sought that help and support services delivered by the organisations listed in the Policy were currently still offering the same level of support; and other organisations that supported victims throughout Gwent such as Umbrella Cymru be explored and added to the Policy.</p>	
<p>No. 9</p>	<p><u>ICT INVESTMENT ROADMAP</u></p> <p>Councillor Wayne Hodgins declared an interest in the following item and remained in the meeting.</p> <p>Consideration was given to the joint report of the Chief Officer Commercial; Chief Officer Resources; and Chief Operating Officer, SRS which was presented to provide the Corporate Overview Scrutiny with a full set of proposals on investment options required to maintain a stable and resilient ICT infrastructure.</p> <p>The Chief Officer Commercial introduced the report and gave an overview of the report which included that the last 12 months had shown how important ICT was in terms of resilience and providing services. A number of changes had taken place in a short period of time with a strong infrastructure behind the changes to ensure that the systems remain active and supported in the medium and longer term.</p> <p>The Chief Operating Officer, SRS, highlighted each of the different elements of the infrastructure and commented on the benefits of maintaining an up-to-date infrastructure.</p> <p>In response to a Member's question regarding costs for renewing equipment every five years, the Chief Operating Officer said there would be an annual cost every year to replace the equipment, this had been shown over five years in the Medium Term Financial Plan. In previous years,</p>	

replacement of equipment had been carried out on an ad hoc basis when equipment failed. There was now a move to plan more effectively especially with remote working currently in place.

The Chief Officer Commercial said the aim was to be in a position to know exactly what the ongoing investment needed to be in relation to the ICT infrastructure and a more strategic approach was needed to look at what that investment requirement was in order to maintain the services in a timely manner.

A Member commented that during the pandemic people relied more heavily on technology and this was a proactive approach by the Council, whereas historically they had been reactive. The Chief Officer Commercial said this approach provided an opportunity to control the spend in this area and make cost effective decisions if planned in advance.

In response to a Member's question regarding the Contact Centre infrastructure, the Chief Operating Officer explained that the Contact Centre infrastructure was shared with other local authorities. There were separate call queues for each authority but the same hardware infrastructure. SRS provided an Out of Hours service for Torfaen County Borough Council and could look to provide a similar service for Blaenau Gwent. The Chief Officer Commercial added they were currently looking at the Out of Hours arrangement as part of the review of C2BG.

The Chief Officer Resources highlighted the infrastructure investment proposals, the revenue costs for the implementation of Teams Telephony and Contact Centre and the transitional costs moving from one system to another.

A Member referred to Microsoft Office 365. The Chief Operating Officer confirmed that running costs for Microsoft Office 365 were already included in the revenue budget.

The Committee AGREED to recommend that the report be accepted and endorse Option 1; namely that the Committee recommend the ICT Infrastructure Investment to Executive prior to approval by Council.

No. 10 FORWARD WORK PROGRAMME – 5TH MARCH, 2021

Consideration was given to the report of the Chair of the Corporate Overview Scrutiny Committee.

A Member requested that the report on the Use of Consultants be included on the Forward Work Programme for the next meeting on 5th March, 2021.

The Head of Governance & Partnerships suggested that due to the Covid-19 pandemic and the lack of people movement nationally and globally that the report on the Global Resettlement Programme be postponed and presented to a future meeting of the Scrutiny Committee.

The Committee AGREED that the report be accepted and endorse Option 1; namely that the report on the Global Resettlement Programme be postponed and presented to a future meeting of the Committee and the report on Use of Consultants be included on the Forward Work Programme for the next meeting on 5th March, 2021.

Agenda Item 5

Executive Committee and Council only

Date signed off by the Monitoring Officer:

Date signed off by the Section 151 Officer:

Committee: **Corporate Overview Scrutiny Committee**

Date of meeting: **5th March 2021**

Report Subject: **Treasury Management – Treasury Strategy Statement, Investment Strategy & MRP Policy Statement 2021/2022 (including Prudential Indicators)**

Portfolio Holder: **Cllr N Daniels, Leader / Executive Member Corporate Services**

Report Submitted by: **Rhian Hayden, Chief Officer Resources**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
x	x	20.02.21			05/03/21		25.03.21	

1. Purpose of the Report

- 1.1 The purpose of the report is to give Members the opportunity to scrutinise the Treasury Strategy, Investment Strategy and Minimum Revenue Provision Policy (including prudential indicators) to be adopted for the 2021/2022 financial year, prior to formal recommendation to Council.

2. Scope and Background

- 2.1 The report is prepared in accordance with the CIPFA Code of Practice on Treasury Management that requires an annual Treasury Strategy Statement (TSS) to be approved in advance of the relevant financial year. Prior to recommendation for formal approval by Council the TSS is required to be adequately scrutinised by the Corporate Overview Scrutiny Committee.
- 2.2 In accordance with the Code, the Treasury Strategy Statement includes the Annual Investment Strategy. It is important to note that although it is called the Annual Investment Strategy, it is kept under review throughout the year and any changes required are reported to Council at that time.
- 2.3 The Code also recommends that Council creates and maintains a Treasury Management Policy Statement (TMPS), stating the policies and objectives of its treasury management activities. Although the Code does not require authorities to seek approval of the TMPS, it is attached as Appendix B for information.
- 2.4 Local authorities are required to prepare, before the start of each financial year, a statement of their policy on making revenue provision to cover debt repayments (known as MRP or Minimum Revenue Provision) in respect of that financial year and submit it to full Council for approval. The MRP statement for 2021/22 is therefore also included as part of the Treasury Strategy Statement (last page of Appendix A). From 2019/20 onwards the

revised codes of practice introduced a requirement for all local authorities to prepare a Capital Strategy report, which is intended to provide: -

- a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

2.5 The Capital Strategy for Blaenau Gwent CBC is updated annually and is subject to a separate report.

3. **Options for Recommendation**

3.1 Option 1

Members consider the Annual Treasury Strategy Statement & Annual Investment Strategy & MRP Policy Statement for 2021/2022 financial year and the Treasury Management Prudential Indicators contained therein (APPENDIX A) and consider any amendments, prior to submission to Council for formal approval.

3.2 Option 2 (preferred option)

Members consider the Annual Treasury Strategy Statement & Annual Investment Strategy & MRP Policy Statement for 2021/2022 financial year and the Treasury Management Prudential Indicators contained therein (Appendix A) and do not consider any amendments, prior to submission to Council for formal approval.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 The report is written under legislation (the Local Government Act 2003) Welsh Government guidance and CIPFA codes of practice.

4.2 This report also supports the Corporate Plan Priority of being 'An ambitious and innovative council delivering the quality services we know matter to our communities by ensuring effective forward financial planning arrangements are in place to support the Council's financial resilience'.

5. **Implications Against Each Option**

5.1 ***Impact on Budget (short and long term impact)***

5.1.1 The Authority will comply with the CIPFA Treasury Management in the Public Services: Code of Practice 2017 and in doing so will strive for effective risk management and control, whilst at the same time pursuing best value.

5.1.2 The Treasury Strategy Statement & Annual Investment Strategy and MRP Policy Statement for 2021/2022 financial year will be adhered to at all times with the prime objectives being firstly the security and secondly the liquidity of investments. It will seek to minimise the

revenue costs of debt whilst maintaining a prudent level of debt redemption.

5.1.3 The revenue cost of debt arises through the Minimum Revenue Provision (or MRP) set aside for debt repayment. The revised MRP Policy agreed by Council in December 2017, enabled lower levels of MRP to apply for the period 2017/2018 to 2021/2022. Budget forecasts for MRP from 2022/2023 will subsequently increase and have been factored into the Council's Medium Term Financial Strategy.

5.2 ***Risk including Mitigating Actions***

The main risk in relation to Treasury Management is that of credit risk and protecting the Authority's cash. This is effectively managed through the Authority's risk averse Treasury Management policy that seeks to protect the capital sum rather than maximise investment returns.

5.3 ***Legal***
N/A

5.4 ***Human Resources***

There are no direct staffing implications to report. Staff directly involved with Treasury Management activities will continue to receive consultancy advice, training and professional/technical updates during the year.

6. **Supporting Evidence**

6.1 ***Performance Information and Data***

6.1.1 This report sets out the Authority's prudential indicators for the 2021/2022 financial year, against which performance can be monitored throughout the year. It also sets out the borrowing and investment strategy and MRP policy that will be adhered to for the year.

6.1.2 The Prudential Code was developed by CIPFA, as a professional Code of Practice to support local authorities in taking their decisions on capital investment.

6.1.3 The key objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable. A further key objective is to ensure that treasury management decisions are taken in accordance with good professional practice and in a manner that supports prudence, affordability and sustainability.

6.1.4 To demonstrate that local authorities have fulfilled these objectives, the Prudential Code sets out the indicators that must be used, and the factors that must be taken into account. The Code does not include suggested indicative limits or ratios.

- 6.1.5 The Treasury Strategy Statement attached as Appendix A includes the prudential indicators that are required to be calculated for Blaenau Gwent County Borough Council and that are recommended for approval by Council.
- 6.1.6 The Treasury Management Code requires that the Council nominate a Committee to be responsible for the effective scrutiny of Treasury Management Strategy and policies. For Blaenau Gwent CBC this role is undertaken by the Corporate Overview Scrutiny Committee.
- 6.1.7 The documents contained within this report are required to be adequately scrutinised before being recommended to Council.
- 6.2 ***Expected outcome for the public***
The Council's Treasury Management activities support delivery of services to the public.
- 6.3 ***Involvement (consultation, engagement, participation)***
Members of the Corporate Overview Scrutiny Committee and Council are involved in the development and monitoring compliance with the Council's Treasury Management Strategy.
- 6.4 ***Thinking for the Long term (forward planning)***
n/a
- 6.5 ***Preventative focus***
The Authority's Treasury Management policy prioritises protecting the capital sum rather than achieving higher rates of interest.
- 6.6 ***Collaboration / partnership working***
n/a
- 6.7 ***Integration (across service areas)***
n/a
- 6.8 ***EqIA***
n/a

7. Monitoring Arrangements

- 7.1 As the nominated Scrutiny Committee, Corporate Overview will receive three reports in every annual cycle:-
- A Treasury Management Policy report prior to the start of every financial year
 - A mid-year progress report on Treasury Management activity
 - An end of year out turn report on Treasury Management activity.

Background Documents /Electronic Links

- *Appendix A*
- *Appendix B*

BLAENAU GWENT COUNTY BOROUGH COUNCIL

Treasury Management Strategy Statement Annual Investment Strategy and Minimum Revenue Provision Policy Statement

2021/22

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1.0 Introduction

1.1 Background

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

Treasury management is defined as:

"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

To date the Authority has not engaged in any commercial investments and has no non treasury investments.

1.2 Statutory requirements

The Local Government Act 2003 (the Act) and supporting regulations requires the Council to 'have regard to' the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice to set Prudential and Treasury Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.

The Act therefore requires the Council to set out its Treasury Strategy for borrowing and to prepare an Annual Investment Strategy. The Treasury Strategy details the expected activities of the Treasury function in the forthcoming financial year (2021/22). The Investment Strategy sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

Statutory Instrument WSI 2008 no. 588 section 3 lays down that:

“A local authority must calculate for the current financial year an amount of minimum revenue provision which it considers to be prudent.”

Along with the above duty, the Welsh Government issued guidance in March 2008 (and further updated in November 2018) which requires that a Statement on the Authority’s policy for its annual MRP should be submitted to the full Council for approval before the start of the financial year to which the provision will relate. The Annual MRP Policy Statement is therefore included at section 5.

1.3 CIPFA requirements

In December 2017, CIPFA issued revised Prudential and Treasury Management Codes. As from 2019/2020, all local authorities are also required to prepare an additional report, a Capital Strategy report, which is intended to provide: -

- a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of this report is to ensure that all elected members on the full council fully understand the overall strategy, long term policy objectives, governance procedures and risk appetite entailed by this Strategy.

The Capital Strategy will include capital expenditure, investments and liabilities and treasury management in sufficient detail to allow all members to understand how stewardship, value for money, prudence, sustainability and affordability will be secured.

The primary requirements of the Treasury Management Code are:

1. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council’s treasury management activities.
2. Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
3. Receipt by the full council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a Mid-Year Review Report and an Annual Report covering activities during the previous year.
4. Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the

execution and administration of treasury management decisions, which in this Council is the Chief Officer Resources.

5. Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is the Corporate Overview Scrutiny Committee.

1.4 Reporting Arrangements

The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.

The Treasury Strategy Statement (this report) - The first, and most important report covers:

- The capital plans (including prudential indicators)
- the treasury management strategy, how the investments and borrowings are to be organised, including treasury indicators; and
- an investment strategy (the parameters on how investments are to be managed).
- a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);

A mid year treasury management report – This will update members with the progress of the capital position, amending prudential indicators as necessary, and an assessment of whether the treasury strategy is being met or whether any policies require revision.

An annual treasury report – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny

The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Corporate Overview Scrutiny Committee.

The table below sets out these reporting requirements:

Area of Responsibility	Council/ Committee	Frequency
Treasury Management Strategy / Investment Strategy / MRP policy	Full council	Annually before the start of the financial year
Treasury Management Strategy / Investment Strategy / MRP policy – midyear outturn report	Full Council	Mid-year
Treasury Management Strategy / Investment Strategy / MRP policy – updates or revisions at other times	Full Council	Ad hoc
Annual Treasury Outturn Report	Full Council	Annually by 30 September after the year end.
Scrutiny of Treasury Management Strategy	Corporate Overview Scrutiny Committee	Annually before the start of the financial year.
Scrutiny of Treasury Management performance	Corporate Overview Scrutiny Committee	Midyear & annually by 30 September after the year end.

1.5 Treasury Consultants

The Council currently uses Link Asset Services as its external treasury management advisors. The Council recognises that responsibility for Treasury Management decisions remains with the Authority at all times and will ensure that undue reliance is not placed upon our external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

The contract with Link Assets Services has reached the end of its initial contract period, however is able to be rolled annually. Therefore, for continuity of service the current contract will be extended to April 2022 and a tender process will be undertaken during 2021 to appoint advisors from April 2022.

1.6 **The role of the S151 Officer**

The role of the S151 Officer in relation to Treasury management has been embodied in the CIPFA Code of Practice for many years. The 2017 revised Code, further enhanced this role in relation to the following areas:-

- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term timeframe ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed,

2. The Capital Prudential Indicators 2021/2022 – 2023/2024

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans are reflected in prudential indicators, which are designed to assist members overview and confirm capital expenditure plans.

2.1 Capital expenditure

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. The actual capital expenditure that was incurred in 2019/2020 and the estimates of capital expenditure to be incurred for the current and future years that are recommended for approval are:

Capital Expenditure £000's					
	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Total	15,466	17,300	28,740	31,021	22,450

Note

Actual figures for 2019/20 & estimated figures for 2020/2021 represent total gross capital expenditure

(I.e. include all expenditure including that financed from grant).

Estimated figures for 2021/22, 2022/23 & 2023/24 are based on the Authority's approved capital programme plus external funding approvals received at this stage and estimated spend

The table below shows how the above capital expenditure plans are planned to be financed.

Capital Expenditure £000's	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Total	15,466	17,300	28,740	31,021	22,450
Financed by:					
Grants, Capital Receipts, revenue and other sources	13,314	12,654	25,167	28,177	15,777
Net financing need for the year from USB and PB	2,152	4,646	3,573	2,844	6,673

** USB – Unhypotheated Supported Borrowing – borrowing that is supported through the Revenue Support Grant.

PB – Prudential Borrowing – borrowing that is not supported through the Revenue Support Grant.

2.2 The Council's borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure, which has not immediately been paid for (i.e. is borrowed for), will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each asset's life.

The CFR includes any other long term liabilities (e.g. finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes. The Council currently has £0.161m of such schemes within the CFR.

The CFR projections recommended for approval are shown in the table below:

Capital Financing Requirement					
	<u>2019/20</u> <u>Actual</u> <u>£000</u>	<u>2020/21</u> <u>Estimate</u> <u>£000</u>	<u>2021/22</u> <u>Estimate</u> <u>£000</u>	<u>2022/23</u> <u>Estimate</u> <u>£000</u>	<u>2023/24</u> <u>Estimate</u> <u>£000</u>
CFR at start of financial year	165,016	166,407	170,525	173,183	175,509
CFR at end of financial year	166,407	170,525	173,183	175,509	178,036
Movement in CFR	1,392	4,118	2,658	2,326	2,527
<i>Movement in CFR represented by:</i>					
Net Financing need for the year (above)	2,152	4,646	3,573	2,844	6,673
New Finance Leases	5	150	150	2,049	150
less MRP	-765	-678	-1,065	-4,466	-4,296
	1,392	4,118	2,658	427	2,527

2.3 Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

2.4 Ratio of financing costs to net revenue stream.

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

Ratio of financing costs to net revenue stream					
	2019/20 Actual	2020/21 Revised Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
	%	%	%	%	%
General Fund	3.19%	3.20%	3.24%	5.35%	5.30%

Note:

The estimates of financing costs for 2021/2022 include current commitments and the proposals in the budget report to be presented to Council in February/March

The net revenue stream for 2022/2023 & 2023/2024 are based on the following assumptions, which have been used as the basis for the Authority's medium term financial strategy (MTFS).

- RSG & NNDR – per MTFS assumption to remain static for 2022/2023 & 2023/2024
- Council Tax -assumes 4% increase for 2022/23 and 2023/24.
- Council Tax Base – remains at 2020/2021 level

3.0 Treasury Management Strategy for 2021/2022

The capital expenditure plans set out in Section 2 provide details of the capital activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this capital activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

The suggested strategy for 2021/2022 in respect of the following aspects of the treasury management function is based upon the treasury officers' views on interest rates, supplemented with leading market forecasts provided by the Council's treasury advisor, Link Asset Services.

The Strategy covers:

- 3.1 *the current treasury portfolio position;*
- 3.2 *Treasury management prudential Indicators for 2021/2022 to 2023/2024*
- 3.3 *prospects for interest rates;*
- 3.4 *the borrowing strategy;*
- 3.5 *policy on borrowing in advance of need;*
- 3.6 *debt rescheduling;*
- 3.7 *strategy on the use of usable capital receipts;*

3.1 Current Treasury Portfolio Position

The Council's treasury portfolio position at 31 March 2020, with forward projections

are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

Treasury Portfolio Position					
	2019/20 actual £000	2020/21 estimate £000	2021/22 estimate £000	2022/23 estimate £000	2023/24 estimate £000
<i>External Debt:</i>					
Debt	158,129	162,764	161,771	160,148	165,525
Other Long Term Liabilities	161	266	250	1,736	1,703
Gross Debt as at 31 March	158,290	163,030	162,021	161,884	167,228
The Capital Financing Requirement	166,407	170,525	173,183	175,509	178,036
Under / (Over) Borrowing	8,117	7,495	11,162	13,625	10,808

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt, as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and it minimises counterparty risk.

Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2020/2021 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

The Chief Officer Resources reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in the budget report.

3.2 Treasury Management Prudential Indicators for 2021/22 – 2023/24

The following section sets out the Treasury Management Prudential Indicators that are recommended for approval.

3.2.1 Adoption of CIPFA Code of Practice for Treasury Management

In December 2017, CIPFA issued revised CIPFA Code of Practice for Treasury Management in the Public Services

3.2.2 Treasury management limits on activity

There are four debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. The indicators are:

- **Upper Limit on Fixed Interest exposure**

Blaenau Gwent County Borough Council has always adopted a risk averse strategy in relation to variable rate debt, and should interest rates rise the Authority would wish to continue with its strategy of maintaining a stable long term portfolio by drawing longer term fixed rate funding. In order to be consistent with this strategy, the upper limit on fixed rate exposures for 2021/2022, 2022/2023 & 2023/2024 should be set at 100% of its net outstanding sums.

- **Upper Limit on Variable Interest Exposure**

In order to give the flexibility to enable debt rescheduling opportunities to be undertaken, the upper limit on variable rate exposures for 2021/2022, 2022/2023 & 2023/2024 should be set at 30% of its net outstanding sums.

- **Range of Exposures**

This means that the Chief Officer Resources will manage fixed interest exposures within the range 70% to 100% and variable rate exposures within the range 0% to 30%. This is a continuation of current practice.

- **Maturity Structure of Fixed Rate Borrowing**

It is recommended that the Council sets upper and lower limits for the maturity structure of its borrowings as follows:

The amount of projected borrowing that is fixed rate and maturing in each period, as a percentage of total projected borrowing that is fixed rate, is illustrated in the table below. This is a continuation of the current practice.

	Upper Limit	Lower Limit
Under 12 months	20%	0%
12 months & within 24 months	20%	0%
24 months and within 5 years	50%	0%
5 years and within 10 years	75%	0%
10 years and above	95%	5%

3.2.3 **Authorised Limit**

This is a key Prudential Indicator that represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited and reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.

It is recommended that the Council approves the following Authorised Limits for its Total External Debt Gross of Investments for the next three financial years.

Authorised limit for external debt				
	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Borrowing	181,060	184,216	188,175	188,418
Other long term liabilities	2,182	293	275	1,910
Total	183,242	184,509	188,450	190,328

3.2.4 Operational Boundary

The proposed Operational Boundary for external debt is based on the same estimates as the Authorised Limit but reflects directly the Chief Officer Resources' prudent estimate of the most likely but not worst case scenario. It excludes the contingency included within the Authorised Limit (to allow for example for unusual cash movements), and equates to the maximum of external debt projected by this estimate. The Operational Boundary represents a key management tool for in year monitoring by the Chief Officer Resources.

It is recommended that the Council approves the following Operational Boundary Limits for the next three financial years.

Operational Boundary for external debt				
	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Borrowing	164,600	167,469	171,068	171,289
Other long term liabilities	1,984	266	250	1,736
Total	166,584	167,735	171,318	173,025

3.2.5 Actual External Debt

The Council's actual external debt as at 31 March 2020 was £158.1 million (including temporary borrowing), comprising 99.8% borrowing and 0.2% other long term liabilities. It should be noted that actual external debt is not directly comparable to the Authorised Limit and Operational Boundary, since the actual debt reflects the position at one point in time.

3.3 Prospects for Interest Rates

As part of their service, the Council’s treasury advisor for 2020/2021, Link Asset Services assist the Council to formulate a view on interest rates. The following table illustrates this :

Link Group Interest Rate View		9.11.20													
These Link forecasts have been amended for the reduction in PWLB margins by 1.0% from 26.11.20															
	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	
BANK RATE	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	
3 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	
6 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	
12 month ave earnings	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	
5 yr PWLB	0.80	0.80	0.80	0.80	0.80	0.90	0.90	0.90	0.90	0.90	1.00	1.00	1.00	1.00	
10 yr PWLB	1.10	1.10	1.10	1.10	1.10	1.20	1.20	1.20	1.20	1.20	1.30	1.30	1.30	1.30	
25 yr PWLB	1.50	1.50	1.60	1.60	1.60	1.60	1.70	1.70	1.70	1.70	1.80	1.80	1.80	1.80	
50 yr PWLB	1.30	1.30	1.40	1.40	1.40	1.40	1.50	1.50	1.50	1.50	1.60	1.60	1.60	1.60	

The coronavirus outbreak has done huge economic damage to the UK and economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to first 0.25%, and then to 0.10%, it left Bank Rate unchanged at its subsequent meetings to 5th November 2020, although some forecasters had suggested that a cut into negative territory could happen. However, the Governor of the Bank of England has made it clear that he currently thinks that such a move would do more damage than good and that more quantitative easing is the favoured tool if further action becomes necessary. As shown in the forecast table above, no increase in Bank Rate is expected in the forecast table above as economic recovery is expected to be only gradual and, therefore, prolonged.

Gilt yields / PWLB rates

Gilt yields had already been on a generally falling trend up until the coronavirus crisis hit western economies during March 2020. After gilt yields spiked up during the financial crisis in March, we have seen these yields fall sharply to unprecedented lows as investors panicked during March in selling shares in anticipation of impending recessions in western economies, and moved cash into safe haven assets i.e. government bonds. However, major western central banks took rapid action to deal with excessive stress in financial markets during March, and started massive quantitative easing purchases of government bonds: this also acted to put downward pressure on government bond yields at a time when there has been a huge and quick expansion of government expenditure financed by issuing government bonds. Such unprecedented levels of issuance in “normal” times would have caused bond yields to rise sharply. Gilt yields and PWLB rates have been at remarkably low rates during 2020/21.

As the interest forecast table for PWLB certainty rates above shows, there is expected to be little upward movement in PWLB rates over the next two years as it will take economies, including the UK, a prolonged period to recover all the

momentum they have lost in the sharp recession caused during the coronavirus shut down period. From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis, emerging market developments and sharp changes in investor sentiment, (as shown on 9th November when the first results of a successful COVID-19 vaccine trial were announced). Such volatility could occur at any time during the forecast period.

Investment and borrowing rates

Investment returns are likely to remain exceptionally low during 2021/22 with little increase in the following two years.

Borrowing interest rates fell to historically very low rates as a result of the COVID crisis and the quantitative easing operations of the Bank of England, indeed, gilt yields up to 6 years were negative during most of the first half of 20/21. The policy of avoiding new borrowing by running down spare cash balances has served local authorities well over the last few years. The unexpected increase of 100 bps in PWLB rates on top of the then current margin over gilt yields of 80 bps in October 2019, required an initial major rethink of local authority treasury management strategy and risk management.

As a consequence of these increases in margins, many local authorities decided to refrain from PWLB borrowing unless it was for HRA or local infrastructure financing, until such time as the review of margins was concluded.

On 25 November 2020, the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates; the standard and certainty margins were reduced by 1% but a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchase of assets for yield in its three year capital programme. The new margins over gilt yields are as follows: -.

- **PWLB Standard Rate** is gilt plus 100 basis points (G+100bps)
- **PWLB Certainty Rate** is gilt plus 80 basis points (G+80bps)
- **PWLB HRA Standard Rate** is gilt plus 100 basis points (G+100bps)
- **PWLB HRA Certainty Rate** is gilt plus 80bps (G+80bps)
- **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)

Borrowing for capital expenditure. As Link's long-term forecast for Bank Rate is 2.00%, and all PWLB rates are under 2.00%, there is now value in borrowing from the PWLB for all types of capital expenditure for all maturity periods, especially as current rates are at historic lows. However, greater value can be obtained in borrowing for shorter maturity periods so the Council will assess its risk appetite in conjunction with budgetary pressures to reduce total interest costs. Longer-term borrowing could also be undertaken for the purpose of certainty, where that is desirable, or for flattening the profile of a heavily unbalanced maturity profile.

While this authority will not be able to avoid borrowing to finance new capital expenditure and to replace maturing debt there will be a cost of carry, (the difference between higher borrowing costs and lower investment returns).

3.4 The Borrowings Strategy

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and it minimises counterparty risk.

The Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer term stability of the debt portfolio. With short term interest rates currently much lower than long term rates, it is likely to be more cost effective in the short term to either use internal resources, or to borrow short term loans instead.

By doing so, the Authority is able to reduce borrowing costs and reduce overall treasury risk. The benefits of short term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long term borrowing rates are forecast to rise. Link Asset Services will assist the Authority with this cost of carry and breakeven analysis.

The Authority may also consider arranging forward starting loans during 2021/2022, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the Authority will borrow short term loans to cover cash flow shortages.

The borrowing strategy to be adopted will therefore be:

(Each strand of the strategy will be considered together and decisions made based on the most advantageous position for the Authority at that time).

To utilise the Authority's overdraft facility:

- to fund unexpected daily cash deficits;
- to fund temporary cash shortfalls where there are no other sources of funding available within the marketplace.

To borrow over the short term:

- to fund temporary cash shortfalls;
- to maintain a suitably balanced maturity profile;
- to make short term savings required in order to meet budgetary constraints;
- in anticipation of securing longer term loans at more attractive rates.

To borrow over the long term:

to reduce the Authority's average cost of borrowing;
to maintain a stable, longer term portfolio;
to maximise the potential for future debt rescheduling.

If appropriate to avoid all new external borrowing:

to maximise savings in the short term;
to run down temporary investment levels;
to minimise exposure to interest rate and credit risk.

Sensitivity of the forecast – In normal circumstances the main sensitivities of the forecast are likely to be the two scenarios noted below. Council officers, in conjunction with the treasury advisers, will continually monitor both the prevailing interest rates and the market forecasts, adopting the following responses to a change of sentiment:

- *if it were felt that there was a significant risk of a sharp FALL in long and short term rates, e.g. due to a marked increase of risks around relapse into recession or of risks of deflation, then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.*
- *if it were felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast, perhaps arising from a greater than expected increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates were still relatively cheap.*

Against this background and the risks within the economic forecast, caution will be adopted with the 2021/2022 treasury operations. The Chief Officer Resources will monitor interest rates in the financial markets and adopt a pragmatic approach to changing circumstances reporting any changes to the above strategy to Council at the next available opportunity.

3.5 Policy on borrowing in advance of need

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement

Estimates, and will be carefully considered to ensure value for money can be demonstrated and that the Council can ensure the security of such funds.

In determining whether borrowing will be undertaken in advance of need the Council will;

- ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to take funding in advance of need
- ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered
- evaluate the economic and market factors that might influence the manner and timing of any decision to borrow
- consider the merits and demerits of alternative forms of funding
- consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.
- consider the impact of borrowing in advance on temporarily (until required to finance capital expenditure) increasing investment cash balances and the consequent increase in exposure to counterparty risk, and other risks, and the level of such risks given the controls in place to minimise them.

3.6 Debt Rescheduling

As short term borrowing rates will be considerably cheaper than longer term rates, there may be potential for some residual opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the size of premiums incurred, their short term nature, and the likely cost of refinancing those short term loans, once they mature, compared to the current rates of longer term debt in the existing debt portfolio.

The reasons for any rescheduling to take place will include: -

- the generation of cash savings and / or discounted cash flow savings
- helping to fulfil the strategy outlined in paragraph 3.4 above
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Variations in risk will be considered when evaluating such opportunities, in order to ensure that the Authority's risk averse strategy is maintained.

All rescheduling will be reported to Council as part of the mid-year and Annual Treasury Outturn reports.

3.7 Strategy on the use of Usable Capital Receipts

The long standing policy on usable capital receipts is that they are immediately invested internally, thereby helping to improve the Authority's cashflow position and reducing the level of external loans that need to be raised. This in turn reduces external interest charges from the money market. This approach is consistent with what is regarded as good practice in terms of strategic level treasury management and overall produces savings in debt servicing costs for the Authority. However, as approved sums of usable capital receipts are subsequently used to finance part of the annual capital programme each year, appropriate allowance then needs to be made for the use of these receipts in determining the estimated level of external borrowing required for that year. Hence usable capital receipts are released on a controlled basis and the annual estimates for external interest charges are adjusted accordingly.

4.0 **Investment Strategy**

4.1 **Background**

CIPFA has extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with financial investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy, (a separate report).

In setting its investment strategy the Council has to comply with various legislation and Codes of practice, being:

- Part 1 of the Local Government Act 2003
- Welsh Assembly guidance on investments
- 2017 revised CIPFA Treasury Management in Public Services Code of Practice
- CIPFA Treasury Management Guidance Notes 2018

The Council's investment priorities are:

1. The security of the capital sum –ensuring that our investments are safe and not at risk of being lost;
2. The liquidity of its investments – ensuring that our investments are easily accessible i.e. not tied up for long periods of time;
3. Return on investment – once security and liquidity have been satisfied then and only then will the Council seek the maximum return on its investment.

The Borrowing of monies purely to invest or on-lend and make a return is unlawful and this Council will not engage in such activity.

Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. The Council mainly maintains temporary, short term investments (i.e. for periods of less than a year, although it very rarely invests for periods of longer than a few months) and investments will accordingly only normally be made with reference to the cash flow requirements, including the investing of sums borrowed at prevailing low interest rates in anticipation of capital spending. It needs its cash on a short term basis in order to be able to manage its daily cash flow requirements, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

Investment returns expectations.

Bank Rate is unlikely to rise from 0.10% for a considerable period. It is very difficult to say when it may start rising so it may be best to assume that investment earnings from money market-related instruments will be sub 0.50% for the foreseeable future.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows (the long term forecast is for periods over 10 years in the future):

Average earnings in each year	
2021/22	0.10%
2022/23	0.10%
2023/24	0.10%
2024/25	0.25%
Long term later years	2.00%

Negative investment rates

While the Bank of England said in August / September 2020 that it is unlikely to introduce a negative Bank Rate, at least in the next 6 -12 months. As part of the response to the pandemic and lockdown, the Bank and the Government have provided financial markets and businesses with plentiful access to credit, either directly or through commercial banks. In addition, the Government has provided large sums of grants to local authorities to help deal with the COVID crisis; this has caused some local authorities to have sudden large increases in cash balances searching for an investment home, some of which was only very short term until those sums were able to be passed on.

Investor cash flow uncertainty, and the need to maintain liquidity in these unprecedented times, has meant there is surplus of money at the very short end of the market. This has seen a number of market operators, now including the

DMADF, offer nil or negative rates for very short term maturities. This is not universal, and MMFs are still offering a marginally positive return, as are a number of financial institutions for investments at the very short end of the yield curve.

4.2 Definition of Investments – Specified and non-specified

The Local Government Act 2003 refers to specified and non-specified investments. The Welsh Assembly Government's Guidance on Local Government Investments, effective from 1st April 2010, defines the following:-

Specified Investments:

An investment is a **specified** one if **all** of the following apply:-

- (a) it is denominated in sterling and any payments or repayments in respect of it are payable only in sterling
- (b) the investment is not a long-term one i.e. one which is due to be repaid within 12 months of the date on which the investment was made or one which may require to be repaid within that period
- (c) the making of the investment is not defined as capital expenditure by virtue of regulation 20(1)(d) of the Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 [SI 3239 as amended]
- (d) the investment is made with a body or in an investment scheme of * high credit quality or with one of the following public sector bodies:
 - i. the UK Government
 - ii. a local authority in England or Wales (as defined in section 23 of the 2003 Act) or a similar body in Scotland or Northern Ireland
 - iii. a parish or community council.

* High credit quality is defined in the creditworthiness policy in 3.0

Non-specified Investments:

- (i) An investment is non-specified if it does not meet the above definition.

As this Council maintains only short term investments (i.e. less than 365 days) then by definition it will only invest in specified investments.

4.3 Credit worthiness policy

In accordance with the guidance from the Welsh Government and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoid a concentration of risk. The key ratings

used to monitor counterparties are the Short Term and Long Term ratings derived from the three credit rating agencies, Fitch, Moody's and Standard & Poor's (S&P).

Counterparties for investment purposes are selected using specific criteria, as follows:

Banks - high credit quality – the Council will only use banks which:

- are UK banks; and/or
- are non-UK and domiciled in a country which has a minimum sovereign Long Term rating of AAA (any non UK transactions would be undertaken in Sterling).
- and have, as a **minimum**, the following Fitch, Moody's and Standard and Poor's credit ratings (where rated):

Table 1:

	Fitch	Moody's	S&P
Long Term	A-	A3	A-
Short Term	F1	P-1	A-1

Long term rating – covers maturities of up to five years. It provides an assessment of the ongoing stability of the institutions prospective financial condition. **A** indicates high credit quality and low expectation of credit risk. The + or – suffixes are appended to a rating to denote the relative status within the long term rating category. The Moody's and S&P definitions are similar to Fitch. The Moody's numerical suffix indicates a rating at the higher end of the scale (1) to the lower end of the scale (3), with 1 having higher credit quality than 3.

Short term rating – covers obligations which have a maturity of less than one year. This rating places greater emphasis on the liquidity necessary to meet financial commitments. Rating **F1 (Fitch)** is the highest short term credit quality rating. It indicates the strongest capacity for timely payment of financial commitments. The Moody's and S&P definitions are similar to Fitch.

- **Part nationalised UK bank** – Royal Bank of Scotland Group (NatWest, Royal Bank of Scotland, Ulster Bank). This bank can be included provided it continues to be part nationalised or it meets the ratings in Banks above.
- **The Council's own banker (Barclays)** – Since under existing arrangements excess surplus funds can be held overnight with the Council's Bank, unexpected credit rating downgrades to the Bank could result in these short-term investments technically being placed with a counterparty that does not meet the minimum approved credit criteria specified above. The S&P short term rating for Barclays is A-2, and has

been since 2012. A-2 means that S&P consider Barclays capacity to meet its financial commitment on its obligations as satisfactory. Fitch and Moody's both consider this to be strong. The minimum credit rating for Barclays will therefore be A-2 (S&P) with F1 for Fitch and P-1 for Moody's. Whilst this will mean that Barclay's S&P credit ratings will be slightly lower than those required for other institutions (as detailed above), investments with Barclays will be restricted to the overnight (or over weekend) sweep facility (where surplus balances are "swept" into an interest bearing account) up to a maximum of £10 million.

Should Barclays' credit ratings improve and meet the credit criteria required for other institutions (above), then the investment periods for meeting the minimum criteria will once again be applied. See below for contingency arrangements in relation to the Authority's bank.

Table 2:

	Fitch	Moody's	S&P
Long Term	A-	A3	A-
Short Term	F1	P-1	A-2

- **Building societies** - The Council will *use only* the Nationwide Building Society, unless their short term credit ratings fall below the minimum specified in table 1 above for banks.
- **AAA rated Money market funds (MMFs)** – Triple A rated MMFs are considered to be highly credit rated.
- **UK Government** - The Debt Management Account Deposit Facility DMADF of the Debt Management Office (DMO). The DMO is legally and constitutionally part of HM Treasury and as an Executive Agency of Her Majesty's Treasury it operates at arm's length from Ministers. The DMO is considered to be highly credit rated.
- **UK Local authorities**, Police Authorities, parish councils etc

Use of additional information other than credit ratings

Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information must be applied before making any specific investment decision from the agreed pool of counterparties. Ratings will therefore not be the sole determinant of the quality of an institution and the

assessment will therefore also take account of information that reflects the opinion of the markets, as follows:

Credit default swaps (CDS)

The Council will engage with its Treasury advisors, Link Asset Services, to maintain a monitor on market pricing such as “credit default swaps (CDS)” and overlay that information on top of the credit ratings.

CDS spreads offer a timely market perception of the risk attached to the relevant institution. These can, on occasion, pre-empt actions by the credit rating agencies whose ratings can lag behind market reaction to changes in the credit institutions situation. Since they are traded instruments, they carry in them market perception related to that entity’s credit quality. In order to “measure” the CDS data, Link use a benchmark system which allows the CDS spread of an institution to be compared against a predetermined benchmark rate. This data is then used to assess whether the market is indicating that an institution’s credit quality is a cause for concern. Where there is a cause for concern then the counterparty will be either downgraded in terms of investment period or removed from the approved list.

Credit Rating Agency Comments

➤ **Rating Watch negative (or on review for possible downgrade)**

Where the credit rating agencies have placed counterparties on “rating watch negative” or “on review for possible downgrade”, then this indicates that there is a reasonable probability of a rating change in a relatively short period (a few weeks). If the counterparty is on negative rating watch, then it will be downgraded in terms of the investment period or removed from the list.

➤ **Negative Outlook**

This indicates the direction a rating is likely to move over a one to two year period. As the maximum fixed investment period for the Council is 6 months, then this will have no impact on the approved list.

Time and monetary limits applying to investments.

The table below shows the time and monetary limits for institutions on the Council’s counterparty list are as follows:

	Long term Rating (Fitch, Moody’s, S&P)	Short term rating (Fitch, Moody’s, S&P)	Money Limit	Time Limit
Banks - higher quality	AA, Aa2, AA	F1+, P-1, A-1+	£6m	6 months

Banks - medium quality (including Nationwide BS)	A-, A3, A-	F1, P-1, A-1	£4m	3 months
Banks – part nationalised	N/A	N/A	£4m	3 months
Council's banker (not meeting Banks - medium)	A-, A3, A-	F1, P-1, A-2	£10m	overnight
DMADF	AAA	N/A	unlimited	6 months
Local authorities – per Authority	N/A	N/A	£6m	3 months
	Fund rating		Money Limit	Time Limit
Money market funds – per MMF	AAA		£6m	liquid

Country and Group Limits

The Council has determined that it will only use approved counterparties from non UK countries with a minimum sovereign rating of AAA from Fitch (Aa2 Moody's, AAA S&P).

In addition, no more than £6m will be placed with any non-UK country at any time.

For financial institutions included within the same banking group, the counterparty limit will apply to the group.

Lloyds Banking Group

- Halifax Lloyds Bank Bank of Scotland

RBS Group

- National Westminster Royal Bank of Scotland Ulster Bank

4.4 Contingency Arrangements for the Authority's Corporate Bank

If credit agency ratings change and the Authority's Corporate Bank fails to comply with the approved Investment Policy criteria specified above, then delegated authority, to agree appropriate and reasonable interim contingency arrangements

prior to approval by Full Council, is granted to the Members and Officers listed below:

- a. Nominated Members: Leader of the Council, Deputy Leader of the Council, Chair of Corporate Overview Scrutiny.
- b. Nominated Officer: Statutory Section 151 Officer (Chief Officer Resources)

The Statutory Section 151 Officer and at least two of the three nominated Members, must approve unanimously the appropriate and reasonable interim contingency arrangements.

4.5 Monitoring of credit ratings

Welsh Government ? guidance states that the Annual Investment Strategy must state how credit ratings are to be monitored and what action is to be taken when ratings change.

The responsibility for constructing and amending the Council's approved counterparty investment list is delegated to the Chief Officer Resources and is contained within the Treasury Management Practice Schedules. All investments will be made in accordance with this list and the limits therein.

Credit ratings for individual counterparties can change at any time. The Chief Officer Resources is responsible for applying the stated credit rating criteria above, and will add or delete counterparties as appropriate to / from the approved counterparty list when there is a change in the credit ratings of individual counterparties or in banking structures. The Authority is alerted to changes in credit ratings through its Treasury Advisors, Link Asset Services.

- If a downgrade results in the counterparty/investment scheme no longer meeting the Authority's minimum criteria, its further use as a new investment will be withdrawn immediately.
- If a body is placed on negative rating watch (i.e. there is a reasonable probability of a rating change and the likelihood of that change being negative) and it is currently near at the minimum acceptable rating for placing investments with that body, then no further investments will be made with that body.

The only exception permitted to these criteria will be the contingency arrangement for the Authority's bank described in section 4.4

4.6 Liquidity of Investments

Welsh Government guidance states that the Annual Investment Strategy is to

specify the maximum periods for which funds may be committed and the minimum amount to be held in investments during the financial year.

The maximum period for which funds may be committed is 365 days but the actual period of investment will depend upon future cash flow requirements and will comply with the maximum period permitted in the table above.

As the Authority only maintains temporary, short term investments with reference to its cash flow requirements, then the minimum amount of investment to be held during the financial year will be nil.

4.7 Ethical investing

Investment guidance, both statutory and from CIPFA, makes clear that the SLY principles i.e. security, liquidity and yield must remain fundamental to Local Authority investing: however ethical issues may play a subordinate role to this. It should be noted, that local authority investing, incorporates Environmental, Social and Corporate Governance (ESG) metrics into credit rating agency assessments and a growing number of financial institutions and fund managers/money market funds promote ESG products. Therefore, where appropriate the Authority will consider ESG factors when setting up any investment arrangements. For example, we would avoid investing in companies linked with fossil fuels.

4.8 Investment monitoring reports

The Council will report on its investment activity as part of its mid-year and Annual Treasury Outturn Report.

5. Annual Minimum Revenue Provision (MRP) Statement

The Secretary of State recommends that before the start of each financial year a local authority prepares a statement of its policy on making MRP in respect of that financial year and submits it to full Council.

Under regulation 21 of the Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003, local authorities are required to charge to their revenue account for each financial year MRP to account for the principal cost of their debt in that financial year.

For 2007/8 and subsequent financial years, the detailed calculation has been replaced with a requirement that local authorities calculate an amount of MRP which they consider to be prudent. Local Authorities are legally obliged to “have regard” to such guidance (i.e. set a prudent MRP) – which is exactly the same duty as applies to other statutory guidance including the Prudential Code and CIPFA Treasury Management Code.

The broad aim of prudent provision is to ensure that debt is repaid over a period reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Revenue Support Grant (RSG), reasonably commensurate with the period implicit in the determination of that grant.

The legislation does not define what constitutes a “prudent provision”. However, the MRP guidance issued by the Secretary of State (WG) interprets the term and provides some ready-made examples of acceptable methods for calculating a prudent level of MRP.

In December 2017, Council approved an amended MRP policy to be applied from 2017/18 and beyond, as follows:

MRP on Supported Borrowing – this will be based on a 2% straight line approach and will be applied retrospectively back to 1st April 2007.

MRP on Unsupported Borrowing – this will be based on Option 3 of the statutory guidance that allows for MRP provision using the asset life methodology on an annuity basis. This will be applied retrospectively back to 1st April 2007. It is applied to particular items of capital expenditure and spreads the expenditure over the useful life of the asset. MRP is chargeable in the first financial year after the relevant asset becomes operational. The annuity method MRP will be the amount presumed to be the principal element of the equal amounts that would be payable each year in respect of a loan at a specified rate of interest that would reduce the outstanding principal amount to zero at the end of the estimated useful life. The annuity method can be argued as providing a fairer charge than equal instalments as it takes into account the time value of money. The interest rate to be used in the annuity calculation is the average PWLB annuity rate for a loan with a term equivalent to the estimated life of the asset. Estimated life periods will be determined under delegated powers. To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Council. However, the Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

MRP on Finance Leases - Option 3 will apply in a modified form, to ensure that the MRP for Finance Leases is equal to the rental payable each year, with the following exception.

Capital Receipts – In circumstances where it is prudent to do so and to protect Council Tax payers from unnecessary MRP charges, capital receipts received under finance lease arrangements (where there is a head and sub-lease agreement) will be used to reduce the Council's overall borrowing requirement, rather than making a conventional MRP charge to revenue.

Loans to other bodies – where loans are made to other bodies for their capital expenditure, no MRP will be charged. However, the capital receipts generated by the annual repayments on those loans will be put aside to repay debt instead.

Application of retrospective sum – the retrospective application of the supported and unsupported borrowing option back to 1st April 2007 results in a sum of £15.5 million that is to be applied for a 5-year period from 2017/18 to 2021/22 in order to reduce the MRP charge for those years.

To Note:

In November 2018, Welsh Government issued further guidance, to apply from April 2019. In summary, the changes are as follows: -

- Changing the method of calculation of MRP cannot lead to retrospective application
- MRP cannot be a negative amount
- MRP can only be nil under certain circumstances

This did not impact upon the Council's policy but precludes future changes to the method of calculation of the MRP incorporating a retrospective element.

JW 14/1/21

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APPENDIX B Treasury Management Policy Statement

1. This organisation defines its treasury management activities as: “The management of the authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”.
2. This organisation regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation.
3. This organisation acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.”

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Agenda Item 6

Executive Committee and Council only

Date signed off by the Monitoring Officer:

Date signed off by the Section 151 Officer:

Committee: Corporate Overview Scrutiny Committee
Date of meeting: 5th March 2021

Report Subject: CAPITAL STRATEGY 2021/2022

Portfolio Holder: CLLR DANIELS - LEADER

Report Submitted by: RHIAN HAYDEN – CHIEF OFFICER RESOURCES

Report Written by: JOANNE WATTS – BUSINESS PARTNER FINANCE

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	16.2.21				5.3.21		25.3.21	

1. **Purpose of the Report**

- 1.1 The purpose of this report is to give members the opportunity to consider the Capital Strategy (attached at Appendix 1) following the annual review, to be adopted for the financial year 2021/2022.

2. **Scope and Background**

- 2.1 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Prudential Code for Capital Finance in Local Authorities, revised in 2017, introduced the concept of a Capital Strategy with effect from April 2019. Appendix 1 to this report is the proposed Capital Strategy for this Council.
- 2.2 The capital strategy is intended to give a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability. The development of a capital strategy allows flexibility to engage with full council to ensure that the overall strategy, governance procedures and risk appetite are fully understood by all elected members.

The Strategy is reviewed and updated annually to ensure that the Council's Corporate Plan priorities continue to be delivered.

3. **Options for Recommendation**

3.1 Option 1 (Preferred Option)

Members consider the Capital Strategy for the 2021/22 financial year (attached as appendix 1) and recommend to Council its adoption.

Option 2

3.2 Members consider the Capital Strategy for the 2021/22 financial year (attached as appendix 1) and suggest amendments, prior to submission to Council for formal approval.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 The Capital Strategy is linked to the Corporate Plan and Well-being Plan and will inform the way in which long term service objectives are delivered.

4.2 The capital Strategy is intended to take a long term view which reflects the requirements of the Wellbeing of Future Generations Act.

5. **Implications Against Each Option**

5.1 **Impact on Budget (short and long term impact)**

5.1.1 The detailed financial implications of the Capital Strategy are contained within the Capital Programme, Treasury Management Strategy and Medium Term Financial Strategy

5.2 **Risk including Mitigating Actions**

5.2.1 The identification and mitigation of risk is contained within the Capital Strategy document.

Legal

There are a number of statutory requirements relating to capital expenditure, capital financing and treasury management activity that the Council must adhere to.

Human Resources

N/A

6. **Supporting Evidence**

6.1 **Performance Information and Data**

6.1.1 The Performance information is contained within Appendix 1 – Capital Strategy

6.2 Expected outcome for the public

6.2.1 The Capital Strategy will detail the financial implications for the Council in providing capital investment for the communities of Blaenau Gwent.

6.3 Involvement (consultation, engagement, participation)

Corporate Leadership Team will consider the long term implications of capital investment and how the governance arrangements in place through full Council, enable decisions to be made by elected members.

6.4 Thinking for the Long term (forward planning)

The Capital Strategy summarises the capital expenditure, capital financing and treasury management arrangements of the Authority, for the long term.

6.5 Preventative focus

The Capital Strategy will assist in the prevention of projects outside of the Council's service objectives and priorities proceeding.

6.6 Collaboration / partnership working

The future development of the Capital Strategy, particularly in relation to commercial investments, will require a collaborative / partnership approach.

6.7 Integration (across service areas)

The future development of the Capital Strategy will require an integrated approach across all services.

**6.8 EqIA (screening and identifying if full impact assessment is needed)
N/A**

7. Monitoring Arrangements

7.1 The Capital Strategy will be reviewed and updated on an annual basis and reported to full Council. However, monitoring reports are submitted to Corporate Overview / Joint Budget Scrutiny during the financial year as follows:

- Capital Programme – quarterly
- Treasury Management report – 6 monthly

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BLAENAU GWENT COUNTY BOROUGH COUNCIL

CAPITAL STRATEGY

1 INTRODUCTION

- 1.1 The Strategy defines at the highest level how the capital programme decision making identifies the issues and options that influence capital spending, and sets out how the resources and capital programme will be managed. In addition, the Capital Strategy should comply with the Prudential Code for local authority capital investment introduced through the Local Government Act 2003. The key objectives of the Code are to ensure that capital investment plans are affordable, prudent and sustainable.
- 1.2 Part 1, Section 3 of the Local Government Finance Act 2003 requires that the Authority shall determine and keep under review how much it can afford to borrow. The Act is supported by the Prudential Framework for local authority capital investment and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Code).
- 1.3 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Prudential Code for Capital Finance in Local Authorities, revised in 2017, introduced the concept of a Capital Strategy with effect from April 2019.

2. DETERMINING A CAPITAL STRATEGY

- 2.1 In order to demonstrate that authorities take capital expenditure and investment decisions, in line with service objectives and properly takes account of: -
- Stewardship
 - Value for money
 - Prudence and
 - Sustainability and affordability

Authorities should have in place a capital strategy that sets out the *long-term context* in which capital expenditure and investment decisions are made, primarily to deliver the priorities in the Council's Corporate Plan. This will enable due consideration *to both risk and reward and impact* on the achievement of priority outcomes. The capital strategy should form a part of the authority's integrated revenue, capital and balance sheet planning.

- 2.2 As local authorities become increasingly complex and diverse it is vital that those charged with governance understand the long-term context in which investment decisions are made and all the financial risks to which the authority is exposed. For example, when local authorities have increasingly wide powers around commercialisation, more authorities being subject to group arrangements and the increase in combined authority arrangements, it is no longer sufficient to consider only the individual local authority but also the residual risks and liabilities to which it is subject.

2.3 The capital strategy is intended to give a high level overview of how: -

- capital expenditure
- capital financing
- treasury management activity

contribute to the provision of services, along with an overview of how associated risk is managed and the implications for future financial sustainability. The development of a capital strategy allows flexibility to engage with full Council to ensure that the overall strategy, governance procedures and risk appetite are fully understood by all elected members.

2.4 The capital strategy should be tailored to the authority's individual circumstances but should include capital expenditure, investments and liabilities and treasury management. The capital strategy should include sufficient detail to allow all members to understand how stewardship, value for money, prudence, sustainability and affordability will be secured and to meet legislative requirements on reporting.

2.5 In considering how stewardship, value for money, prudence, sustainability and affordability can be demonstrated, local authorities should have regard to the following key areas where material.

3. LINKS TO THE CAPITAL STRATEGY

3.1 The report has links to the strategic themes of the Authority, taking into account cross-cutting issues where relevant. It has specific links to the following documents:

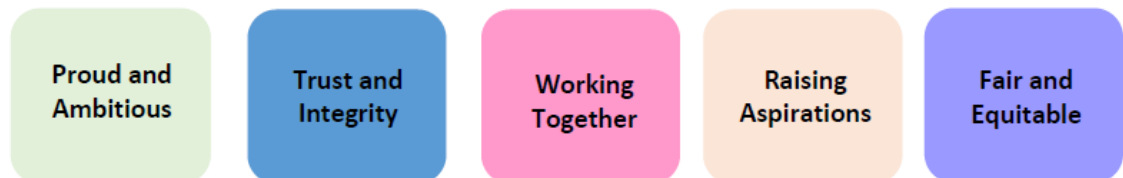
a) The Council's Corporate Plan 2020/2022

The Corporate Plan is the prime document which outlines what the Council aims to achieve. The current plan covers the period 2020 - 2022. The core vision, core values and priorities in the Council Plan are: -

Proud Heritage Strong Communities Brighter Future

Members wanted a vision that reflects both the rich heritage and past industry of the area, of which our communities are fiercely proud, but which also shows our commitment to moving forward by embracing new and emerging technologies that will better equip our communities and in turn lead to a more prosperous future for Blaenau Gwent.

The Council's Core Values:



Corporate Plan 2020/22 Outcome Statements:

- Protect and enhance our environment and infrastructure to benefit our communities
- Support a fairer sustainable economy and community
- To enable people to maximise their independence, develop solutions and take an active role in their communities
- An ambitious and innovative council delivering the quality services we know matter to our communities

The key objective of this Capital Strategy is to ensure that the capital funding available to the Council is spent on projects that assist the Council to deliver the outcome statements in the Corporate plan, including maintaining, replacing or / and upgrading existing assets. This is why the Corporate Plan features strongly in the allocation of resources in the capital programme.

There are several other key strategic documents which align with the Council Plan. These guide how the Council works on specific aspects affecting the Council.

b) Medium Term Financial Strategy

The Capital Strategy is closely linked to the Medium Term Financial Strategy (MTFS), primarily with respect to the affordability of the capital programme. The MTFS is agreed by Council on an annual basis and forms part of the annual budget setting report.

c) Treasury Management Strategy

The Treasury Management Strategy links to the Capital Strategy in determining the Council's approach to borrowing and investments, including borrowing to fund capital expenditure. The Treasury Management Strategy is closely related to the Prudential Code and Prudential Indicators. The Council has an integrated Treasury Management Strategy and has adopted the CIPFA Code of Practice

for Treasury Management in Public Services. The Treasury Management Strategy deals with borrowing and investment arising as a consequence of all the financial transactions of the Council, not exclusively those arising from capital spending.

d) Statement of Accounts

Capital expenditure incurred during the year is reflected in the Balance Sheet within the Statement of Accounts, ensuring that stewardship of assets is demonstrated. The accurate monitoring and recording of capital expenditure ensures that this document is free from material error. The Statement of Accounts is externally audited at the end of each financial year to certify that it presents a true and fair view of the financial position of the Council.

e) Strategic Asset Management Plan 2017/2022

The Strategic Asset Management Plan sets out how the Council manages and treats its property and land, ensuring that it is well placed to manage expectations, budgets and services going forward.

f) Regulatory Framework of Capital Spend

The Procurement Strategy, along with the Contract Standing Orders and Financial Regulations (part of the Council's Constitution), looks at who can supply goods and services to the Council and how these goods and services should best be obtained to secure value for money.

More generally, prudent financial management contributes to the following Well-being Goals within the Wellbeing of Future Generations Act (Wales) 2015:

-
- A prosperous Wales.
- A resilient Wales.
- A healthier Wales.
- A more equal Wales.
- A Wales of cohesive communities.
- A Wales of vibrant culture and thriving Welsh Language.
- A globally responsible Wales.

4 CAPITAL STRATEGY

The Capital Strategy outlines the principles and framework at the very high level that shape the Authority's capital investment proposals. The principal aim is to deliver an affordable programme of capital consistent with the medium term financial strategy that contributes to the achievement of the Council's priorities and objectives as set out in the Authority's Corporate Plan, considers associated risks particularly with commercial opportunities, recognises financial constraints over the longer term and represents value for money.

4.1 **CAPITAL EXPENDITURE**

4.1.1 Capital expenditure is defined as costs incurred by the Council in acquiring new property, plant and equipment (PPE); or costs incurred by enhancing existing PPE asset base. Capital expenditure can also be incurred in instances where the asset is owned by a third party but the Council has provided the third party with a grant. In such instances the expenditure is recorded as if incurred directly by the Council.

4.1.2 In accordance with accounting definitions, expenditure can be capitalised when it relates to:

- *The acquisition or creation of a new fixed asset* - capitalisation will depend on the creation of rights to future economic benefits controlled by the Authority;
- *The enhancement of an existing fixed asset* - capitalisation will depend on the works substantially increasing the value of the asset, extending its useful life or increasing its use in service provision.

4.1.3 The Council's current asset base could be classed into two distinct areas: -

- *operational assets* i.e. those assets relating to day to day activities that will ensure the Council meets (primarily) its statutory requirements and
- *development assets* i.e. those assets which will help the Council achieve strategic aims and generate income

4.1.4 The Authority has a de-minimus limit for capital expenditure of £50,000. Previously, the de-minimus level was set much lower at £10,000, but was revised upwards, following the 2012/2013 external audit of accounts. The Policy will be reviewed during 2021/22

Capital expenditure that is below this de-minimus limit, is charged to a revenue budget. There are however, some exceptions including Highways capital expenditure, and Health & Safety capital expenditure. In these cases, items that individually fall below this de-minimus level are allowable as capital expenditure because they are aggregated together and treated as one single item of expenditure in the year.

4.1.5 The Authority's core capital programme is considered by Council annually on a rolling basis and is funded from a variety of sources including capital receipts, Prudential Borrowing, General Capital Grant and Supported Borrowing Approvals. Both of the two latter funding streams are confirmed annually by Welsh Government as part of the Local Government Finance Settlement.

4.1.6 Changes to the programme from one year to the next include: -

- New policy directives
- New proposed schemes
- Revised scheme profiling
- Slippage and
- Changes in expenditure projections

4.1.7 The Authority’s forecast of capital expenditure for the next three financial years, in line with the prudential indicators and as laid out in the 2021/2022 Treasury Management Strategy is as follows: -

Capital Expenditure £000's					
	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Total	15,466	17,300	28,740	31,021	22,450

The capital programme usually covers a three-year period. However, the current capital programme covers the financial years 2019/20 to 2025/2026, primarily to incorporate Band B of the 21st Century Schools Programme

4.1.8 Governance arrangements are as follows: -

The capital programme is considered annually by full Council

The capital programme is monitored in-year through: -

- Regular forecast expenditure reports to budget holders
- Quarterly forecast expenditure reports to the Joint Budget Monitoring Scrutiny Committee and Executive Committee.
- Actual outturn expenditure is incorporated into the Council’s annual Statement of Accounts, which is reported to the Audit Committee and subject to external audit.

4.1.9 If additional resources are identified, a revised capital programme will be reported to full Council for consideration. If the value of competing bids exceeds the amount of available resources, a prioritisation methodology is followed, in order to match bids to available resources. Currently that methodology incorporates the following key elements: -

- Links to the Council’s Corporate Plan
- Links to national priorities
- Statutory scheme or non-statutory scheme
- An existing legal or contractual commitment
- The availability of external grant funding
- The likelihood of revenue saving generation / cost avoidance
- National Wellbeing Goals/ Sustainability Principles

4.2 **CAPITAL EXPENDITURE FINANCING**

4.2.1 All capital expenditure must be financed, either from external sources - government grants and other contributions; the Council’s own resources - revenue contributions, reserves and capital receipts; or debt - borrowing supported and unsupported; leasing.

4.2.2 A detailed explanation of each of the main sources of funding is provided below:

- **General Capital Grant** – This is a sum of money which is provided by the Welsh Government as part of the annual settlement. The Council is free to use the capital grant on any capital project it wishes.
- **Supported Borrowing** – The Council will borrow internally / externally to fund the expenditure. The revenue costs arising from the borrowing (Interest Costs and Minimum Revenue Provision) are funded by the Welsh Government through the annual revenue settlement, hence the term “Supported Borrowing”.
- **Unsupported Borrowing** – the Council borrows internally / externally but is required to finance the revenue costs from its own resources. Projects funded by means of unsupported borrowing tend to be projects which deliver revenue savings or generate additional income and these savings are used to meet the additional revenue costs arising from the borrowing.
- **Specific Capital Grants** – The Council will be awarded capital grants which partly or fully fund the cost of a project. Capital grants usually come with restrictions surrounding the expenditure which can be funded and by when the expenditure must be incurred.
- **Revenue Contribution** – Services can make a contribution from their revenue budgets to fund projects and should deliver revenue savings/avoid future costs or generate additional income. These contributions tend to be as a match funding to a project which is mainly funded from a specific capital grant.
- **Capital Receipts** – The funds generated from the sale of assets can be used to contribute to the funding of the capital programme. These are usually generated from the sale of surplus assets (normally land or buildings).
The Council’s long standing policy on usable capital receipts is that they are immediately invested internally. This helps to improve the Council’s cash flow position and reduces the level of external loans that need to be raised, which in turn reduces external interest charges from the money market. This approach is consistent with what is regarded as good practice in terms of strategic level treasury management and overall, produces savings in debt servicing costs for the Council.
However, as approved sums of usable capital receipts are subsequently used to finance part of the annual capital programme each year, appropriate allowance then needs to be made for the use of these receipts in determining the estimated level of external borrowing required for that year. Hence usable capital receipts are released on a controlled basis and the annual estimates for external interest charges are adjusted accordingly. Any request to earmark a capital receipt for a different purpose will require a report to full Council.

- **Reserves** – Funding held in reserve, e.g. unapplied capital receipts, can be used to support the capital programme.

4.2.3 The financing of the forecast capital expenditure shown in paragraph 4.7 above, is detailed below:

Capital Expenditure £000's	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24
Total	15,466	17,300	28,740	31,021	22,450
Financed by:					
Grants, Capital Receipts, revenue and other sources	13,314	12,654	25,167	28,177	15,777
Net financing need for the year from USB and PB	2,152	4,646	3,573	2,844	6,673

4.2.4 Debt (including leases) is a source of finance that is used to fund a capital scheme and is repayable over time. The Council sets aside a Minimum Revenue Provision (MRP) every year for the repayment of existing debt. MRP forms part of the debt management budget and is monitored by Corporate Finance. As part of the annual Treasury Management Strategy, which is approved by full Council before the start of the new financial year), a MRP statement is presented as an appendix to the Strategy annually. This sets out the MRP Policy that is to be adopted by the Council at the start of the next financial year. The full MRP statement is set out in Appendix A of the Treasury Management Annual Strategy.

4.2.5 The Authority's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt. The Council's estimated CFR is set out in Appendix A of Treasury Management Annual Strategy and is illustrated below.

Capital Financing Requirement					
	<u>2019/20</u> <u>Actual</u> <u>£000</u>	<u>2020/21</u> <u>Estimate</u> <u>£000</u>	<u>2021/22</u> <u>Estimate</u> <u>£000</u>	<u>2022/23</u> <u>Estimate</u> <u>£000</u>	<u>2023/24</u> <u>Estimate</u> <u>£000</u>
CFR at start of financial year	165,016	166,407	170,525	173,183	175,509
CFR at end of financial year	166,407	170,525	173,183	175,509	178,036
Movement in CFR	1,392	4,118	2,658	2,326	2,527
<i>Movement in CFR represented by:</i>					
Net Financing need for the year (above)	2,152	4,646	3,573	2,844	6,673
New Finance Leases	5	150	150	2,049	150
less MRP	-765	-678	-1,065	-4,466	-4,296
	1,392	4,118	2,658	427	2,527

4.3 **TREASURY MANAGEMENT**

- 4..1 The Chartered Institute of Public Finance & Accountancy defines treasury management as “The management of the organisation’s borrowing; investments and cash flows; its banking; money market and capital market transactions; the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks”.
- 4.3.2 Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. Investment balances tend to be high at the start of the financial year as revenue income is received before it is spent, but reduce in the long-term as capital expenditure is incurred before being financed.
- 4.3.3 Due to decisions taken in the past, the Council currently has £158m debt outstanding as at 31 March 2020, at an average interest rate of 2.86%. In addition, £61,000 was earned on investments during 2019/20 at an average rate of 0.46%.
- 4.3.4 The Annual Treasury Management Strategy is approved by Full Council prior to the start of the new financial year and sets out the Council’s Borrowing Strategy; Investment Strategy and respective prudential indicators.
- 4.3.5 In addition to the Capital Strategy, the Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of polices, estimates and actuals.

The Treasury Strategy - the first, and most important report covers:

- The capital plans (including prudential indicators)
- the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- an investment strategy (the parameters on how investments are to be managed).
- a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);

A mid year treasury management report – This will update members with the progress of the capital position, amending prudential indicators as necessary, and an assessment of whether the treasury strategy is being met or whether any policies require revision.

An annual treasury report – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Pre-scrutiny of the Strategy and monitoring of the Strategy throughout the year is carried out by the Corporate Overview Scrutiny Committee.

4.4 COMMERCIAL ACTIVITIES

- 4.4.1 A number of local authorities are investing in non-treasury management investment, for example commercial property, either via a fund manager or direct purchase of property in order to generate enhanced treasury returns above the rate of inflation. The returns generated from this type of investments can support revenue budgets in an environment when Welsh Government revenue support funding has declined year on year.
- 4.4.2 At present the Council has no investments in commercial property either directly (through property acquisitions) or indirectly (through a fund manager). However, the Council is in the process of developing an investment strategy in line with a more commercial approach and so this type of investment will be considered in the future.
- 4.4.3 With a financial rate of return being the main objective, the Council would need to fully identify the Local Authority powers underpinning any investments i.e. economic regeneration activity. In addition, the Council would need to understand that there is a degree of higher risk on commercial investment than with treasury investments. The principal risk exposures include a decline in the property market and capital being tied up in the medium/ long-term. In order to balance the three basic principles of security, liquidity and yield, consideration would need to be given to the proportion of commercial investments made.
- 4.4.4 Any potential commercial investment would need due diligence and expert independent external advice. Legal advice would also be required from within the Council and where necessary, externally.

4.5 POTENTIAL OPPORTUNITIES AND RISKS ARISING FROM THE CAPITAL STRATEGY

- 4.5.1. The Capital Strategy will enable the Council to focus its energy and resources to the priorities in the Corporate Plan. In addition, transparent governance arrangements will enable improved decision making processes and financial planning into the longer term.
- 4.5.2. By adopting a more commercial approach, the Council will be able to secure additional revenue streams to mitigate future enforced budget reductions.
- 4.5.3 The level of annual savings required over the period of the medium term financial strategy will continue to be challenging with the potential to impact on the capital programme. If the funding gap is difficult to achieve, this risk could be mitigated by a further review of the capital programme to assess the feasibility of reducing capital financing costs affecting revenue. This would involve reducing capital expenditure and the associated borrowing requirement, therefore reducing interest and loan repayment costs.

- 4.5.4. The Council's Capital Strategy is based on an assumed level of funding from Welsh Government and from external grants and capital receipts. Given the continued uncertainty over budgets and the changes to grant funding, there is a risk that this assumed level of grant funding may not be received. This risk can be mitigated through regular reviews of the current capital programme.
- 4.5.5. The Council has used internal borrowing (as opposed to external borrowing) for a number of years to fund a proportion of capital expenditure. If interest rates increase sharply in the medium term, there is a risk that long term capital financing costs will impact on the affordability of new capital schemes and the revenue budget. This risk can be mitigated by regular reviews of interest rate forecasts and engagement with the Council's external treasury management advisor.
- 4.5.6. The strategy acknowledges the importance of maintaining existing Council assets. There is a risk that a replacement programme is not sufficient and that the standard of the assets falls to such a point that a greater level of investment is required in order to maintain services. This risk can be mitigated by ensuring that the capital programme delivers a balanced programme of enhancing current assets and developing new assets.
- 4.5.7. External borrowing results in a significant interest cost each year. Any sharp rise in interest rates may impact on the affordability of future projects which are funded from new borrowing. This risk is mitigated to some extent through the Treasury Management Strategy which illustrates a mix of short term, medium term and long term loans.

4.6. **KNOWLEDGE AND SKILLS**

- 4.6.1 The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions.
- 4.6.2 Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council tests the market through regular competitive tendering. This ensures that performance management arrangements are in place, as laid out in the contract specification. The Council currently employs Link Asset Services as treasury management advisers. This approach is more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.
- 4.6.3 Key relevant staff will undertake training as and when opportunities arise or whenever there are changes in regulations. Treasury management training for members has and will continue to be provided by officers and treasury management advisors on an annual basis in the future.

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Agenda Item 7

Executive Committee and Council only
Date signed off by the Monitoring Officer: N/A
Date signed off by the Section 151 Officer: N/A

Committee: **Corporate Overview Scrutiny Committee**
Date of meeting: **5th March 2021**
Report Subject: **Public Space CCTV System Annual Monitoring Report 2020**
Portfolio Holder: **Cllr N Daniels, Leader of the Council**
Report Submitted by: **Rhian Hayden, Chief Officer Resources (SIRO CCTV)**
Clive Rogers, Head of Community Services
Bernadette Elias, Interim Chief Officer Commercial

Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
X	X	24.02.21			5 Mar 21	14 Apr 21		

1. Purpose of the Report

To present the Council's draft Public Space CCTV Annual Monitoring Report 2020 covering the period 1 September 2019 – 31 December 2020.

2. Scope and Background

- 2.1 The Council operates a Public Space Closed Circuit Television (CCTV) system as part of its lead responsible authority role for Community Safety.
- 2.2 Since 2018, Blaenau Gwent Council has utilised the [12 guiding principles](#) contained within the Surveillance Camera Commissioner's Code of Practice, to support the development of a holistic approach to raising its standards and compliance. Part of these expectations include responsible authorities carrying out a regular reporting process (annually).
- 2.3 The Report attached at Appendix 1, is the first Council report in-line with the above expectations and covers the period 1st September 2019 to 31st December 2020.
- 2.4 The report demonstrates the Council's progress made on the journey to compliance with the Surveillance Camera Commissioner's CCTV Codes of Practice, and includes:
 - An overview of the legal and policy framework for CCTV, including the work progressed for the local Code of Practice (Appendix 2);
 - Progress made to comply with the Surveillance Camera Commissioner's expectations, and their recent recommendations for local authorities in England and Wales from a 2020 compliance exercise
 - An assessment of the effectiveness of the current public space CCTV camera scheme; and
 - a forward work programme to further raise standards and compliance (provided at Appendix J of the Annual Monitoring Report).

3. **Options for Recommendation**

3.1 **Option 1**

That the Committee considers the Annual Monitoring Report (including its supporting appendices) and provides comment prior to being presented to Executive Committee for approval. Following which the report will be published and sent to the Surveillance Camera Commissioner.

Option 2

That the Committee considers the Annual Monitoring Report (including its supporting appendices) and provides specific recommendations prior to being presented to Executive Committee for approval. Following which the report will be published and sent to the Surveillance Camera Commissioner.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

Key progress and activity outlined in the report make valued contributions to the following Corporate Plan Priorities:

- Protect and enhance our environment and infrastructure to benefit our communities
- Support a fairer sustainable economy and community
- To enable people to maximise their independence, develop solutions and take an active role in their communities
- An ambitious and innovative council delivering the quality services we know matter to our communities

This report is informed and shaped by statutory requirements under the Crime and Disorder Act 1998 and its amending legislation, the Protection of Freedoms Act 2012 (PoFA), which introduced the regulation of public space surveillance cameras and the Surveillance Camera Commissioner's 'Surveillance Camera Code of Practice'.

The report articulates the ways that CCTV is used by the Council and its Partners that make valued contributions to a number of the Blaenau Gwent Well-being Plan objectives, with a sharp focus on 'Safe and friendly communities'.

5. **Implications Against Each Option**

5.1 ***Impact on Budget***

The 2020/21 revenue budget set aside for CCTV was £84,000. The budget is committed, and was used to part fund a CCTV Policy Officer to support the compliance review process and the purchase of additional IT equipment to support home working.

- 5.1.1 Further the maintenance for the CCTV system has proven to be more time consuming than predicted, particularly at the early stages of the system being operational. This has been due to a number of different factors, such as the integration of newer technology on old existing infrastructure (water ingress etc.), damage to Wi-Fi transmitting equipment, necessary reconfigurations of electrical supplies to alternative sources as a consequence of change of ownership of the buildings. These matters were resolved within budget.
- 5.1.2 Technical Services have identified broadband connectivity to the main viewing centre does drop out on occasion due to issues with local router. Exploratory work is being undertaken to investigate feasibility and costs of increasing data speeds to local hub sites.
- 5.1.3 Over and above the above noted challenges, there are a number of further technical issues that affect performance of the CCTV system, most notably:
- Broadband connectivity of the Council's Designated CCTV Operator accessing the network to view live feed of cameras.
 - Transient Wi-Fi and power fluctuations issues affecting reliability of CCTV units and the system.
 - Wi-Fi connection download speeds are slower compared to a hardwire broadband system which hinders the speed of downloading footage for the user.
- 5.1.4 As a result of the technical issues, some of which are ongoing, Technical Services are increasingly reliant on the maintenance contractor to manually download footage directly from cameras in order to provide footage promptly upon receipt of a lawful request, which come with cost implication. These matters were resolved within budget.

5.2 **Risk**

There are many risks associated with being a public sector 'CCTV System Owner' of a public space surveillance camera scheme. The Local Authority as a 'relevant authority' must have regard to the Surveillance Camera Code of Practice. Should any criminal or civil proceedings arise, a court or tribunal may, in particular, may take into account a failure by a relevant authority to have regard to the surveillance camera code in determining a question in any such proceedings.

- 5.2.1 The legislative landscape that surveillance cameras occupy is very complex. The known risks are mitigated by the Council as they prioritise delivery of key requirements identified in the Surveillance Camera Commissioner's 'Surveillance Camera Code of Practice', which was developed in partnership with the Information Commissioner's Office.
- 5.2.2 The Code draws all relevant legislation governing the use of surveillance cameras into one place, and therefore also acts as a good practice guide. In taking this holistic policy to practice approach, the progress made on its journey to raise its standards and compliance are set out in the Report.

5.3 **Legal**

The Annual Monitoring Report sets out the ways in which the Council is complying with the legal requirements arising from the Surveillance Camera Code of Practice.

5.3.1 Where necessary the Council considers the use of intrusive overt surveillance cameras in public places, whenever it evidences that use is:

- in pursuit of a legitimate aim;
- necessary to meet a pressing need;
- proportionate;
- effective, and compliant with any relevant legal obligations

5.3.2 To guide the Council through the legal and practical requirements to comply with the above, the Council completed the Surveillance Camera Commissioner's Data Protection Impact Assessments (DPIA) for each of its seven CCTV Zones, which are reviewed annually or at any point when changes to the CCTV system are deemed necessary.

5.3.3 However, it is noted that COVID-19 pressures also impacted on the Council's CCTV journey to compliance, which led to a delay in the production of this CCTV Annual Monitoring Report and a delay in the annual review of the DPIAs, which were finally reviewed and signed off by the SIRO in January 2020.

5.4 **Human Resources**

The senior responsible officer for the Council is the Senior Information Risk Officer (SIRO), the Chief Officer Resources, who is responsible for authorising the use of the public space surveillance cameras and for authorising any changes to the function of the CCTV Scheme.

5.4.1 The Council's Technical Services Team has project managed the tendering, design, and implementation of the Council's CCTV's system, and continues to provide the full technical expertise and support required to maintain the effective operational functioning of the CCTV system.

5.4.2 The Policy Team (Community Safety) has led on the development of the policy to practice framework to ensure the Council's compliance with the Surveillance Camera Code of Practice. The Team has further provided 24/7 operational support to manage all 'lawful requests' received for CCTV data, ensuring the Police receive evidence bags to support their investigations.

5.4.3 COVID-19 regulations for Wales, have seen a number of local and national lockdowns and significant business restrictions, given Blaenau Gwent's reported high COVID rates when compared against other Welsh Local Authorities.

5.4.4 In light of COVID-19, like many of the public sectors including those across the criminal justice system, the Council experienced significant disruption in terms of staffing and delivery of its services during most of 2020. In response, the Community Safety Team worked from home throughout,

which impacted of the effectiveness of delivering a CCTV service (i.e. home broadband issues etc.). On two occasions during the COVID period, it became necessary for only very serious criminality or disorder to be dealt with by the designated CCTV Operators.

5.4.5 Further the Council experienced technical issues arising outside of their control, which reduced the availability of other Council staff and contractual staff to address such issues, though every effort was taken to minimize any disruption.

6. **Supporting Evidence**

The following performance information and data, unless stated otherwise, covers the period 1 September 2019 to 31 December 2020.

6.1 ***Performance Information and Data***

6.1.1 **Elected Member Engagement:** Between September 2019 and September 2020 there were five occasions where CCTV was considered within the meetings of Overview and Scrutiny Committee.

On the 3 & 5 February 2021 Member engagement sessions were attended by thirty-five elected members, providing the opportunity for them to have their say on the Council's journey towards compliance with the SCC's Camera Code of Practice. The responses to the subsequent member consultation are contained in the CCTV Annual Monitoring Report, however some of the key points raised were:

- Consideration whether the Council has sufficient number of CCTV cameras.
- Queries about the perceived effectiveness of the current CCTV camera system and the perceived benefits of monitoring 24/7.
- A need to understand how the Council's deployable cameras will be used.
- Queries in relation to how some council service areas are dealing with crime and anti-social behaviour, and how CCTV could be used
- Broadly accepted that CCTV is not the panacea and should be part of a wide-ranging community safety partnership response to crime and anti-social behaviour.
- Members recognising the value of more engagement sessions on the journey to compliance.

6.1.2 **CCTV Evidence Requests:** Between 1st September 2019 – 31st December 2020 the Council received 103 requests for CCTV footage. Of the 103 requests for footage, 85 were lawful requests made by the Police, and of the 85 requests the Council provided 34 evidence packets to the Police to support their investigation.

Overall, of the 103 requests, there were 66 occasions when CCTV footage was unavailable.

6.1.3 During the elected member engagement sessions, it was acknowledged that the Council could explore the opportunity to broaden the intelligence and evidence base, to include Local Authority recorded crime and anti-social behaviour and community intelligence alongside the Police recorded data. This would place the Council in a better place to understand that richer picture of community safety across Blaenau Gwent.

6.2 ***Expected outcome for the public***

The Council uses its CCTV system as a valued resource to create 'Safe and friendly communities' by working in partnership with the public, Police and partners to reduce crime and disorder and increase public safety.

6.3 ***Involvement (consultation, engagement, participation)***

When the Council brought its CCTV system back in-house, there was extensive involvement and consultation with Gwent Police who also represented views from town centres traders, to determine the pressing need and identify the most appropriate CCTV Camera Zones.

Gwent Police were fully engaged in the service provision arrangements for CCTV imagery requests during the COVID-19 pandemic.

As noted earlier in the report, on the 3 & 5 February 2021 Member engagement sessions were attended by thirty-five elected members, providing the opportunity for them to have their say on the Council's journey towards compliance with the SCC's Camera Code of Practice.

6.4 ***Thinking for the Long term (forward planning)***

The new CCTV system utilises up-to-date hi-tech equipment and software which will provide a long-term CCTV solution, as long as there is appropriate investment in the running, upkeep and maintenance of the overall system.

The ongoing SIRO oversight and the preparation of a CCTV Annual Monitoring Report will allow for forward planning and technological advancement to be regularly considered.

6.5 ***Preventative***

The Council in delivering its core business and through its contribution to Partnership working, employs a strong focus on early intervention and prevention strategies and working practices. Whilst its CCTV system records passively, its presence may act as a crime deterrent in some cases.

6.6 ***Collaboration / partnership working***

The Council's passive overt surveillance camera system relies on strong partnership working between the public, the Police and the Council: The public to report crime and anti-social behaviour, the Police to investigate and the Council to support those investigations. However, CCTV is merely one resource the Council has at its disposal to address any public safety matter that arises and there are an extensive network of partnerships and collaborations that make significant contributions to community safety in Blaenau Gwent.

6.7 **Integration** (*across service areas*)

The effective delivery of the CCTV system is supported by a number of departments of the Council. As noted CCTV is not a panacea, but a valued resource that can be utilised when we have exhausted the less intrusive methods of addressing public safety issues.

Section 17 of the Crime and Disorder Act, created the opportunity for the Council to undertake an extensive review of its departmental contributions to public and community safety. These contributions are integrated into our strategies, policies, service design and working practices.

6.8 **EqIA**

As this is an annual report there is no requirement to carry out an Equality Impact Assessment. Equality Issues are considered as part of the operational delivery of the service.

7. **Monitoring Arrangements**

7.1 The SIRO, Chief Officer Resources, has an established officer group who will continue to monitor the Council's progress on its journey to compliance with the Codes of Practice.

The CCTV Annual Monitoring Report will form part of the Committee's forward work programme for 2021.

Background Documents /Electronic Links

Appendix One: Public Space CCTV System: Annual Monitoring Report
Appendix Two: Public Space CCTV System: Code of Practice

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Blaenau Gwent County Borough Council

Public Space CCTV System

Annual Monitoring Report

2020

Blaenau Gwent County Borough Council

Public Space CCTV System

Annual Monitoring Report

2020

Key Note: *This report covers the period 1 September 2019 to 31 December 2020, and takes into account the period of time of the COVID-19 Pandemic when policies, operations and practices were significantly affected.*

For further details in relation to this Annual Report please contact:

Policy Team

Blaenau Gwent County Borough Council

Municipal Offices

Civic Centre

Ebbw Vale

Blaenau Gwent

NP23 6XB

CCTV@blaenau-gwent.gov.uk

Executive Summary

Senior Information Risk Officer Assurance Statement

As the Senior Information Risk Officer for Blaenau Gwent County Borough I am pleased to present this CCTV Annual Monitoring Report. The Report demonstrates the Council's progress made on our journey to compliance with the Surveillance Camera Commissioner's CCTV Codes of Practice.

The Council wholly funds, manages and operates fifty-seven CCTV cameras (53 fixed and 4 deployable units), in seven zones across the County Borough. We recognise that CCTV is not a panacea, but is a valued tool that we have at our disposal to make a significant contribution to public safety.

The effectiveness of CCTV relies on partnership working between the public, the Police and the Council. Where crimes or anti-social behaviour occur, the public must have the confidence to report these incidents to the Police and where appropriate the Council. The Police and Council will work in partnership with the public and other partners to consider the most appropriate, proportionate and necessary response to the community safety matters being reported, which may include the use of the Council's CCTV system. However, the law-abiding public should have confidence that the Council may need to legitimately record them going about their daily business in specified locations.

This report seeks to be more open and transparent about our compliance journey and to highlight the effectiveness of the Council's overt Public Space CCTV system as a valued resource to support partnership working.

The report also highlights key areas of future development on our continuous journey of improvement set out Appendix J.

Rhian Hayden
Chief Finance Officer (SIRO)
Blaenau Gwent County Borough Council

Introduction

In response to the introduction of the Crime and Disorder Act 1998 and its amending legislation, Blaenau Gwent County Borough Council became a lead responsible authority for Community Safety. As such they are required to work in partnership with other key public services to do all they reasonably can to prevent crime and disorder, anti-social, other behaviour adversely affecting the local environment, address the misuse of drugs, alcohol or other substances, and reoffending. To support the broader commitment to work in partnership to address such matters, the Council became the 'system owner' of an overt public space surveillance camera scheme.

The Protection of Freedoms Act 2012 (PoFA) introduced the regulation of public space surveillance cameras in England and Wales and the Home Office appointed a Surveillance Camera Commissioner, a role that is independent of government.

The Council must have due regard to, and comply with, the Surveillance Camera Commissioner's 'Surveillance Camera Code of Practice', developed in partnership with the Information Commissioner's Office, which aims to balance the need for cameras in public places with individual's right to privacy. The legislative landscape that surveillance cameras occupy is complex, however the Code draws all relevant legislation governing the use of surveillance cameras into one place, and therefore also acts as a good practice guide.

In June 2014, the Council commissioned Newport City Council to manage their CCTV surveillance camera scheme, which was then physically monitored 24/7 from the Newport CCTV Control Room.

In October 2018, the Council agreed to bring its camera surveillance scheme back 'in-house' early 2019 following the termination of a Service Level Agreement. However, this meant that for the first time, the CCTV scheme was reduced from a 24/7 monitored system, to a 'record only' system. The initial, and current locations of the CCTV cameras and zones were agreed in consultation with Gwent Police.

Since 2018, the Council has utilised the 12 guiding principles (Appendix A) contained within the Surveillance Camera Commissioner's Code of Practice, to support the development of a holistic approach to raising its standards and compliance. In taking this approach, the Council anticipates that individuals and wider communities have confidence that any deployment of its surveillance cameras are to be deemed a necessary and proportionate response to protect and support them.

This CCTV Annual Monitoring Report covers the period 1 September 2019 to 31 December 2020 and covers the Council's journey to compliance. The report will:

- Provide an overview of the legal and policy framework for CCTV;
- Assess progress made to comply with the Surveillance Camera Code of Practice;
- Undertake an assessment of the effectiveness of the current CCTV overt fixed camera scheme; and
- Establish the forward work programme to further raise standards and compliance with the Codes of Practice.

Blaenau Gwent Public Space CCTV Surveillance Camera Scheme

The senior responsible officer for the Council is the Senior Information Risk Officer (SIRO), who is responsible for authorising the use of the public space surveillance cameras and for authorising any changes to the function of the CCTV Scheme.

The Council's Community Safety Team is responsible for the policy and operational management of the CCTV Scheme; supported by Technical Services. The Team works very closely with the Office of the Gwent Police Crime Commissioner to support the delivery of the Gwent Police and Crime Plan. Further, key departments of the Council work with Gwent Police as part of the local multi-agency Community Safety Hub, monitoring all matters relating to public safety.

Partners within the Hub use many sources of intelligence and evidence to inform the problem-orientated approach to deal with public safety matters. Information is shared safely and legally under the Wales Accord of the Sharing of Personal Information (WASPI) 'Information Sharing Protocol'. This approach involves assessment of vulnerability, threat, risk and harm and need, which is used to inform a series of holistic action plans. This bespoke arrangement could include, proactive education and prevention, intervention and support, which could include sign-posting to treatment. Only where necessary and proportionate, the Council and its partners will consider a broader range of legal powers and more intrusive means to manage the situation.

In the vast majority of cases, through proactive engagement with victims and their families, members of the community, elected members and offenders themselves, the partners are able to make more informed decisions on the employment of resources to resolve or address the community safety concerns. For this reason, it should be noted that CCTV is not a panacea, and is merely one tool in the extensive toolkit that the Council, Police and partner agencies can use to address public safety. However, there are times when the matters that need to be resolved, require legitimate consideration of more intrusive means through the use of CCTV, which in certain circumstances can make a valued contribution to public safety and security in protecting people and property.

Such circumstances rely on good partnership working between the public, the Police and the Council. For instance, the Council, wholly funds and manages all aspects of its CCTV security and system and operationally deploys them in agreed crime 'hotspot' locations; members of the public or local businesses report crime and anti-social behaviour incidents to the Police; and the Police determine what actions to take to investigate such issues. If the crimes and anti-social behaviour occur in areas where CCTV operate the Police will make lawful requests to the council for the CCTV footage to aid their investigations, and bring offenders to justice. For an example of how this works in practice, see Appendix I 'A Case Study'.

It is noted that a lawful request can also be received from other Public Authorities, legal and insurance companies or from members of the public under a Subject Access Request process. Under the current arrangements, subject to meeting the requirements, designated Council CCTV Operators from the Community Safety Team access the CCTV System, downloads the specified data and safely and legally shares the data with the approved parties.

Where CCTV is proposed as a potential option, the Council will consider the use of overt surveillance cameras in public places, whenever it evidences that use is:

- in pursuit of a legitimate aim;
- necessary to meet a pressing need;
- proportionate;
- effective, and compliant with any relevant legal obligations.

To guide the Council through the legal and practical requirements to comply with the above, the Council completes the Surveillance Camera Commissioner's Data Protection Impact Assessments (DPIA) for each CCTV Zone. The DPIAs will be published on the Council website and are reviewed annually or at any point when changes to the CCTV system are deemed necessary.

Blaenau Gwent Council currently operates fifty-three High Definition (up to 4K quality), fixed overt public space surveillance cameras, installed on 32 columns, in the following seven zones (Appendix B):

- Abertillery – 15
- Llanhilleth Train Station – 3
- Blaina – 2
- Brynmawr – 6
- Ebbw Vale – 12
- Cwm – 3
- Tredegar and Cefn Golau – 12

The CCTV system is operational 24 hours a day, 365 days a year. The system is not 'live' monitored by staff and functions as a 'record-only' system. Images from each hub are transmitted by standard broadband lines to the Main viewing facility located within the Civic Centre; which allows footage to be reviewed and downloaded when requested by the Council's designated CCTV Operators.

The dedicated wireless system consists of wireless mesh network. Where wireless network is unavailable due to location of the CCTV camera, a 4G mobile data network has been utilised for data transmission. The Council's 4G camera locations are:

- Blaina
- Cefn Golau, Tredegar
- Armoury Terrace, Ebbw Vale.

The 53 cameras have no pan, zoom or tilt facility and are therefore passive in respect of recording whatever is within the field of view. For this reason, public confidence to report crimes and significant anti-social behaviour within the CCTV zones, is essential to support the Police or enforcement agency investigations.

As well as the fixed 53 CCTV cameras, the Council has four deployable cameras. These are currently in test phase with Technical Services.

Each CCTV Zone is covered by the presence of bi-lingual signs (Welsh and English). The signs are placed so that the public are aware that they are entering a zone which is covered by surveillance cameras. The signs state the organisation responsible for the scheme, the purposes of the scheme and a contact telephone number.

The current DPIAs identifies that the specified purpose for the current CCTV system is to assist with the following objectives:

- The preservation of life and limb, to minimise the risk of harm to the vulnerable and public at large.
- The prevention and detection of crime.
- The investigation of crime by identifying offenders, potential victims and witnesses.
- The prosecution of offenders.
- The tendering of video and still images in evidence to the Police, other Law Enforcement Agencies and relevant Local Authority Departments for use in the Criminal Justice System.
- To reduce Anti-Social Behaviour.
- To promote the objectives of Gwent's Police and Crime Commissioner's Police and Crime Plan 2017-2021 and the Blaenau Gwent Community Safety Hub, to make Blaenau Gwent a safer place to live, work and visit.

The current DPIAs predominant lawful 'pressing-need' and operational requirement was evidenced from published Police crime data on <https://www.police.uk/>.

SCC's Survey of Local Authorities [England and Wales] Compliance with the Protection of Freedoms Act 2012

In early 2020 the Surveillance Camera Commissioner undertook a Survey of LA compliance, the findings of which were published in October 2020¹. The SCC noted "I unequivocally support LAs having the right to legitimately use surveillance camera technologies where it's both necessary and proportionate for them to do so. The caveat to my support however is that any such use must be lawful, ethical and conducted within a clear and transparent framework of legitimacy which can be held to effective and independent account".

The Survey was to gain a better understanding as to the extent to which Local Authorities were complying with their statutory responsibilities arising from Section 33(1) of the Protection of Freedoms Act 2012 (PoFA) and the Surveillance Camera Code of Practice, in connection with their use of overt surveillance camera systems in public places.

¹ <https://videosurveillance.blog.gov.uk/2020/10/20/survey-of-local-authorities-compliance-with-the-protection-of-freedoms-act-2012/>

In the published report the SCC made three recommendations for Local Authorities:

1. LAs should conduct a review of all surveillance camera systems they operate to establish whether those systems fall within the remit of section 29(6) PoFA. There should be processes in place that enable the LA to discharge their responsibilities effectively under the PoFA in respect of those systems and ensure they comply with the legislation.
2. LAs should ensure that effective governance arrangements are in place with all surveillance cameras they operate in public places across the breadth of their organisation.
3. LAs should consider whether there are sufficiently robust governance and oversight arrangements across the authority [...]

The above recommendations are being addressed as part of the Council's journey to compliance and progress made, contained in this Annual Monitoring Report.

CCTV Policy Developments

On our journey to compliance the Council has continued to strengthen its CCTV Policy framework. A key development during the scope of the reporting period has been the preparation of Blaenau Gwent's Public Space CCTV Code of Practice (Appendix C).

The Council's Code of Practice will be supplemented by a separate Public Space CCTV Procedure Manual, which will provide more detailed guidelines on all aspects of the day-to-day operation of the CCTV System. The Procedural Manual will be developed during 2021.

The Council currently has four deployable CCTV camera units and is working with Gwent Police and partners to implement a Problem-Orientated Partnerships model that will strengthen its partnership approach. Further the Council will develop a Deployable CCTV Camera Protocol, to aid the appropriate joint assessment of 'pressing need' to inform where justified, necessary and proportionate, the rapid deployment of deployable CCTV to address significant public safety concerns.

In the spirit of principle 3 of the SCC's Code of Practice, the Council will develop a CCTV webpage to increase the transparency around the governance of CCTV. This will build on the existing published information.

Annual Performance Monitoring Review

COVID-19 regulations for Wales, have seen a number of local and national lockdowns and significant business restrictions, given Blaenau Gwent's reported high COVID-19 rates when compared against other Welsh Local Authorities. In light of COVID-19, like many of the public sectors including those across the criminal justice system, the Council experienced significant disruption in terms of staffing and delivery of its services during most of 2020.

In response, the Community Safety Team worked from home throughout, which impacted the effectiveness of delivering a CCTV service. On two occasions during the COVID period, it became necessary for only very serious criminality or disorder to be dealt with by the designated CCTV Operators.

Further the Council experienced technical issues arising outside of their control, which reduced the availability of other Council staff and contractual staff to address such issues, though every effort was taken to minimize any disruption.

The breadth of the impact of COVID-19 within the field of public safety is yet to be determined. It is evident that the usual business model for public services was refocused to respond to the global pandemic crisis during the response phase, and impacts will continue to affect public services going into the recovery phase.

COVID pressures also impacted on the Council's CCTV journey to compliance, which led to a delay in the production of this Annual Monitoring Report and a delay in the annual review of the DPIAs, which were finally reviewed and signed off by the SIRO in January 2020.

SIRO CCTV Meetings

The SIRO holds regular meetings with key authority leads involved in the provision or support of the policy, technical and operational aspects of the Council's CCTV system. There were four such meetings during the reporting period. The meetings allow for effective review and audit discussions of the DPIAs, and ensure we continue to make progress towards compliance and address any arising issues. The SIRO ensures timely submission of reports into the professional and political processes.

Elected Member Engagement

4 September 2019: Corporate Overview Scrutiny Committee under the item Forward Work Programme agreed for a joint position statement on CCTV to be presented at a future meeting. The Agenda and Papers are published on the Council website.

19 November 2019: In response to the agreed action from the meeting of the 4 September 2019, a progress update was provided to Corporate Overview and Scrutiny Committee. It was noted that a further progress report would be provided in January 2020. The Agenda and Papers are published on the Council website.

5 December 2019: Corporate Overview and Scrutiny considered the response of an action from their November meeting, 'Members requested that officers seek advice on whether a demonstration could be provided to Members'. In response the Head of Partnerships and Governance advised that this could be arranged.

12 February 2020: It is noted that the scheduled meeting of Corporate Overview and Scrutiny Committee for January 2020 was cancelled and taken forward in February. The Committee received a 'Position Statement on the Council's CCTV system'.

11 September 2020: The Council's Overview and Scrutiny meeting received a report entitled 'Position Statement on the Council's CCTV' covering the period during the Covid-19 Pandemic from April to August 2020, which is published on the Council's website.

3 & 5 February 2021: Member engagement sessions were offered to elected members, providing the opportunity for them to have their say on the Council's journey towards compliance with the SCC's CCTV Codes of Practice. There were four sessions covering the CCTV zones within the areas of Ebbw Fach North, Ebbw Fach South, Ebbw Fawr and Sirhowy. Councillors from each of these areas attended their respective session; with total of 37 of the 42 elected members taking part.

The member engagement session included a consultation on the following questions:

- Within your area, what are the community safety issues you are experiencing?
- Looking at the current CCTV Zones, can you describe the more specific community safety issues in those areas?
- Thinking about those Zones, how would you describe the effectiveness of the CCTV to address those community safety concerns?
- Thinking about the Council's journey to compliance, can you let us know what further information on CCTV you would like to receive and in what format?

Some of the key points raised relating to the Council's journey to compliance across these sessions were:

- Consideration whether the Council has sufficient number of CCTV cameras.
- Queries about the perceived effectiveness of the current CCTV camera system and the perceived benefits of monitoring 24/7.
- A need to understand how many times the Council provided CCTV footage to the Police to help their investigations.
- A need to understand how the Council's deployable cameras will be used and how will the Police and Council departments will be able to access these.
- Queries in relation to how some council service areas are dealing with crime and anti-social behaviour, and how CCTV could be used to deal with these matters.
- A broad consensus that the Council should balance the evidence base for deployment of CCTV with Police crime data, local authority data and community intelligence.
- Broadly accepted that CCTV is not the panacea and should be part of a wide-ranging community safety partnership response to crime and anti-social behaviour.
- Members recognising the value of more engagement sessions on the journey to compliance.

It is noted that most of the above points of note are addressed within this Annual Monitoring Report, though some points will be addressed as part of the on-going compliance journey and will be subject to future member engagement sessions and formal reporting through the democratic processes.

Subject Access Requests

There have been two subject access requests during the period of evaluation, which were dealt with in a timely manner. The Council's CCTV system records personal data i.e. images of individuals, or images, which gives away information about an individual. The Council is obligated to consider any subject access request by a member of the public, for CCTV images of the individual, subject to certain conditions being met. The process for Subject Access Request is published on the Council's website.

Freedom of Information Requests

There have been no Freedom of Information (FOI) requests in relation to the CCTV scheme during the period of evaluation. The FOI process is published on the Council's website.

Complaints

During the period of evaluation there have been no recorded complaints concerning the CCTV scheme. The Council has a corporate complaints process, which is published on the Council's website.

Training

During the reporting period, two members of staff from the Policy Team have successfully completed the 5-day CCTV Industry Standard Training Course, to operate the Council's CCTV System. The Council will ensure that all designated CCTV operators will receive appropriate training to ensure minimum requirements are met.

Crime and Anti-Social Behaviour Statistics

In order to inform a future strategic policy direction and any proposed changes to the current CCTV camera zones, we recognise that there are limitations in only considering Police reported crime statistics.

During the elected member engagement sessions, it was acknowledged that the Council could explore the opportunity to broaden the intelligence and evidence base, to include both Local Authority recorded crime and anti-social behaviour and consider community intelligence alongside the Police recorded data. This would place the Council in a better place to understand that richer picture of public safety and community concerns across Blaenau Gwent.

Such analysis could then be used by the Council to make more informed decisions on proposed changes to the current CCTV zones. Given the tight timescales, it was recognised that this improvement in the intelligence framework would be carried into a CCTV Forward Work Programme.

Crime

At the time of preparing this report, the latest available published Police crime and anti-social behaviour data extracted from Police.UK was only available to November 2020. Therefore, the below overview focuses on crime from January 2020 to November 2020. However, in order to provide a viable comparison between calendar years 2020 and 2019, an estimate was derived for December 2020 by applying the rate of crime and ASB over the previous 11 months.

Figure 1: Crime by 'Type', 2020 Estimate Compared to 2019

Figure 1 below shows an estimate for the volume of crime in 2020, (see note above) compared to the actual volume of crime in 2019. There is an estimate reduction of 6% in overall crime in 2020 compared to 2019, The largest potential reductions are for 'vehicle crime', 'other theft' and 'shoplifting'. However, be aware this is for provisional guidance only, based on estimates and the actual differences can't be discerned at this point in time.

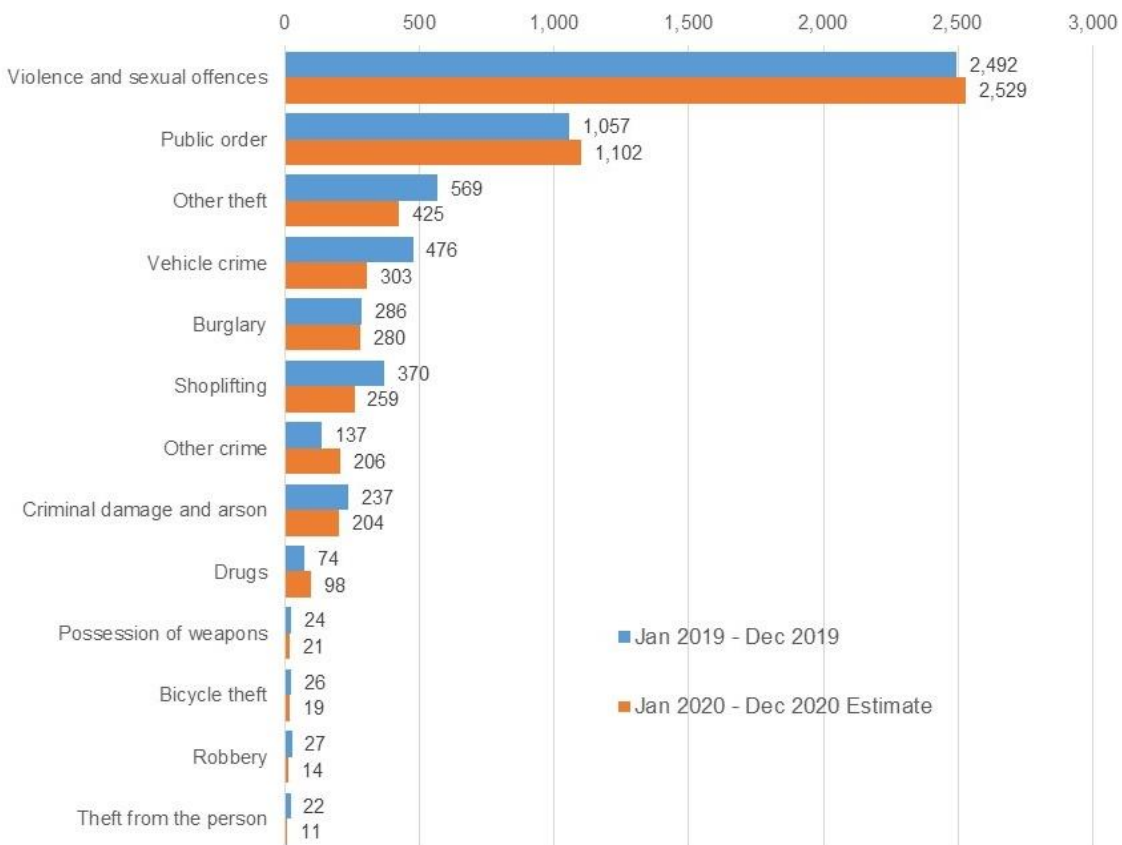
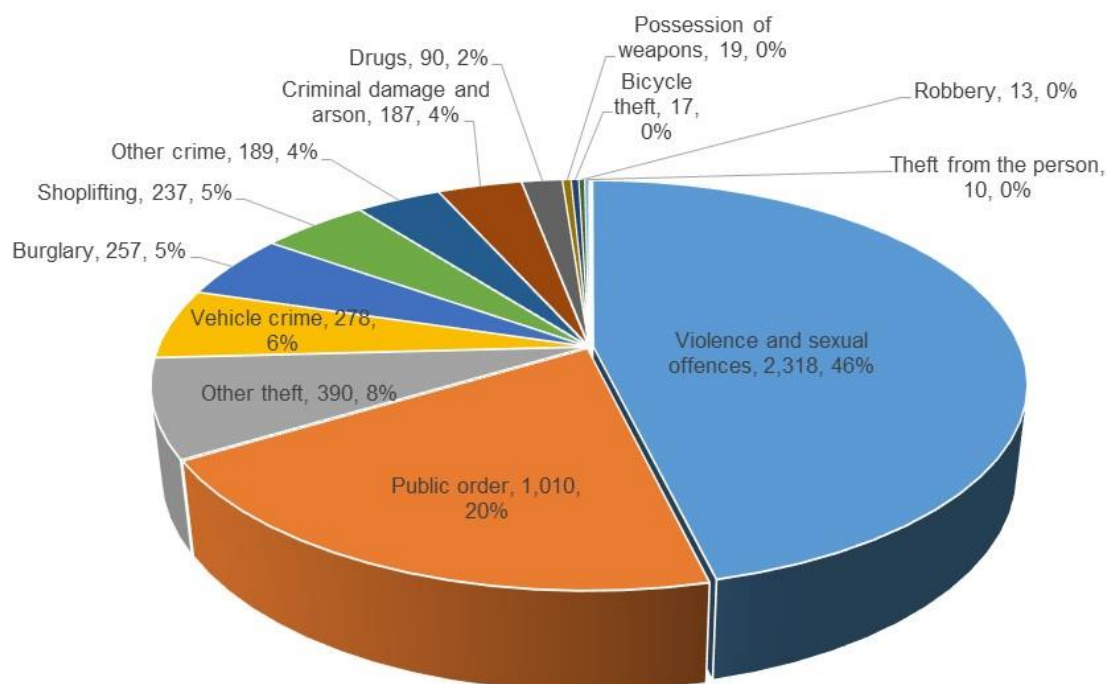


Figure 2: Crime by Type, Jan 2020 – Nov 2020

Figure 2 below shows the volume of crime by main offence type. 'Violence and sexual offences' accounted for 46% of crime (almost half) and 'public order offences' accounted for 20%. These two offence types alone accounted for 66% or two thirds of all crime.



Requests for Council CCTV Per Incident Type

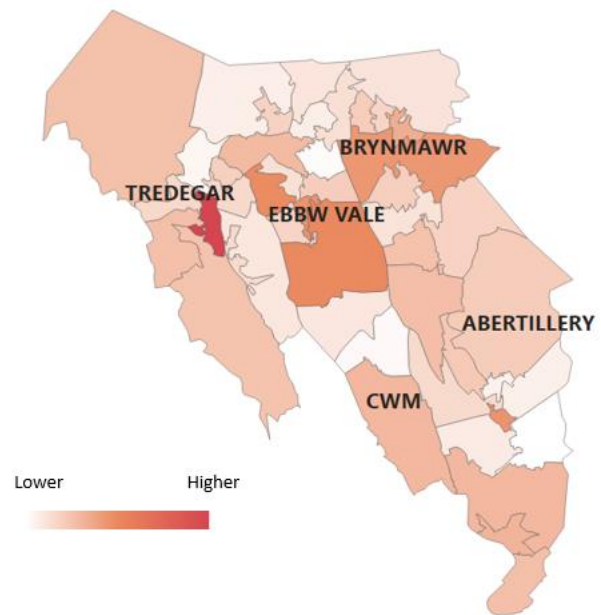
Table 1 below shows the number of times a lawful request was made the Council to CCTV to support an investigation across a number of crime and ASB incidents.

Incident Type	1 st September 2019 – 31 st December 2020
Violence and Sexual Offences	17
Public Order Offences	11
Theft Other	3
Vehicle Crime	5
Burglary	12
Shoplifting	1
Other Crime	4
Criminal Damage and Arson	17
Drugs	0
Offensive Weapons	1
Robbery	1
Theft from person	2
Road Traffic Collisions	13
Unspecified Suspicious incident	7
Anti-Social Behaviour	3
Missing Persons	3
Subject Access Request	2
Dangerous Driving	1

Figure 3: Crime by LSOA (lower super output area), Jan 2020 – Nov 2020

Figure 3 right shows the level of crime by LSOA. (lower super output area). There are 47 LSOA's in Blaenau Gwent. See Appendix D for full list of LSOA level crime and Appendix E for locations with 20 or more crimes. The LSOA's with the 6 highest number of crimes are:

- 'Tredegar Central and West 4' which experienced 341 crimes or almost 7% of all crime;
- 'Ebbw Vale South 2' (190 crimes, 3.8%);
- 'Ebbw Vale North 2' (187 crimes, 3.7%);
- 'Ebbw Vale South 3' (177 crimes, 3.7%);
- 'Abertillery 2' (177 crimes, 3.7%) and
- 'Nantyglo 1' (172 crimes, 3.4%).



Anti-Social Behaviour

There were 3,034 ASB incidents between January and November 2020 (11 months) compared to 1,513 over the full calendar year in 2019, in increase of 101% despite the shorter reporting period. Using an estimate of ASB for the full calendar year 2020 (by applying the rate of ASB over the previous 11 months) there are 3,310 incidents, a potential increase of 119% compared to 2019.

Figure4: ASB by LSOA (lower super output area), Jan 2020 – Nov 2020

Figure 4 right shows the level of ASB by LSOA (lower super output area). See Appendix F for full list of LSOA level ASB and Appendix G for locations with 20 or more ASB incidents. The LSOA's with the 5 highest number of ASB incidents account for almost one quarter (23%) of ASB. The five LSOAs are:

- 'Tredegar Central and West 4' which experienced 185 incidents or 6.1% of all ASB;
- Nantyglo 1' (144 incidents, 4.7%);
- 'Blaina 2' (129 incidents, 4.3%)
- 'Brynmawr 3' (125 incidents, 4.1%) and
- 'Ebbw Vale South 2' (114 incidents, 3.8%).

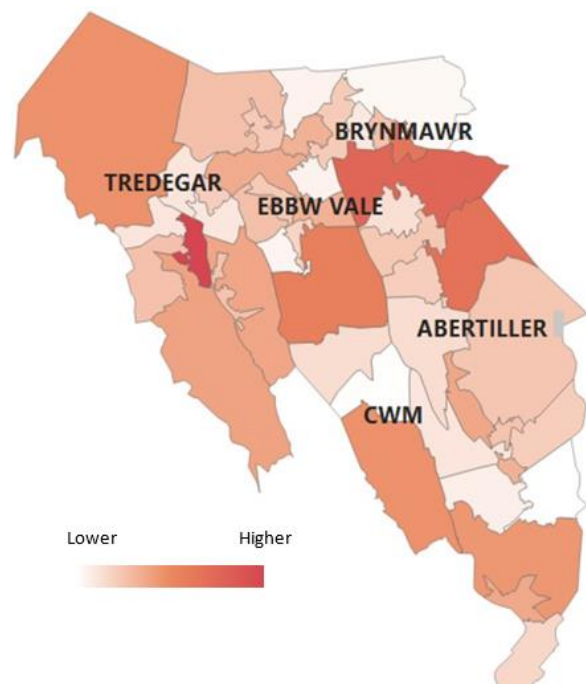


Figure 5: Anti-Social Behaviour – January 2019 to November 2020

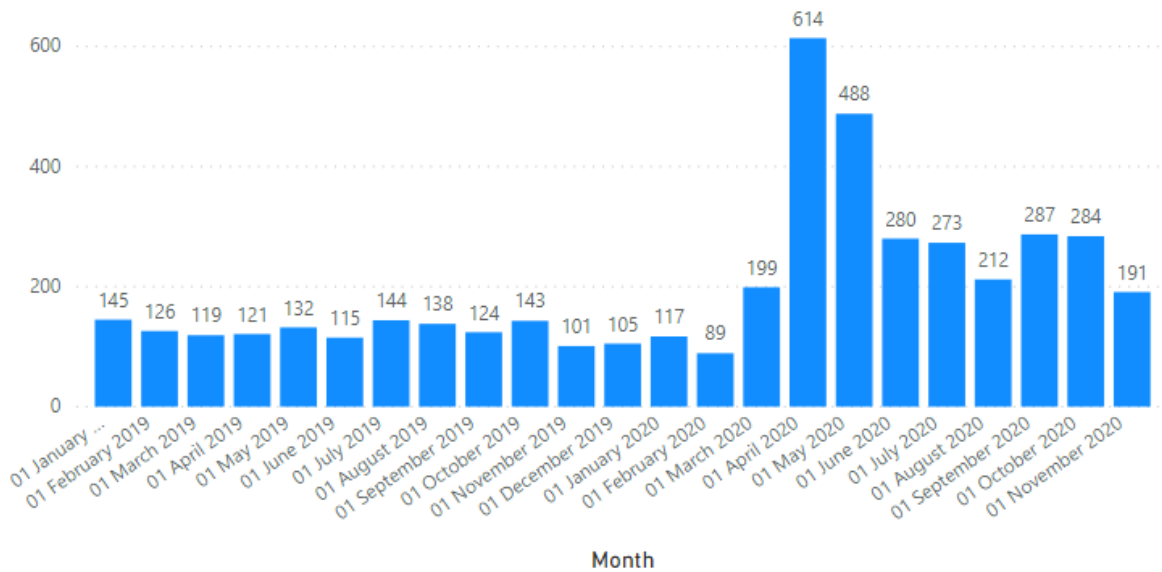


Figure 5 above shows ASB by month from January 2019 to November 2020. This shows a significant increase from March 2020 with highest numbers experienced in April 2020. Allied to the excellent weather conditions, some of this increase could be attributed to the significant changes on people’s lives brought about by COVID-19 and subsequent non-compliance with regulations during lockdowns, firebreaks and local restrictions due to the Covid-19 pandemic - the timing of which coincides with the increased incidents.

Figure 6: Crime by 'Last Outcome Category', Jan 2020 – Nov 2020

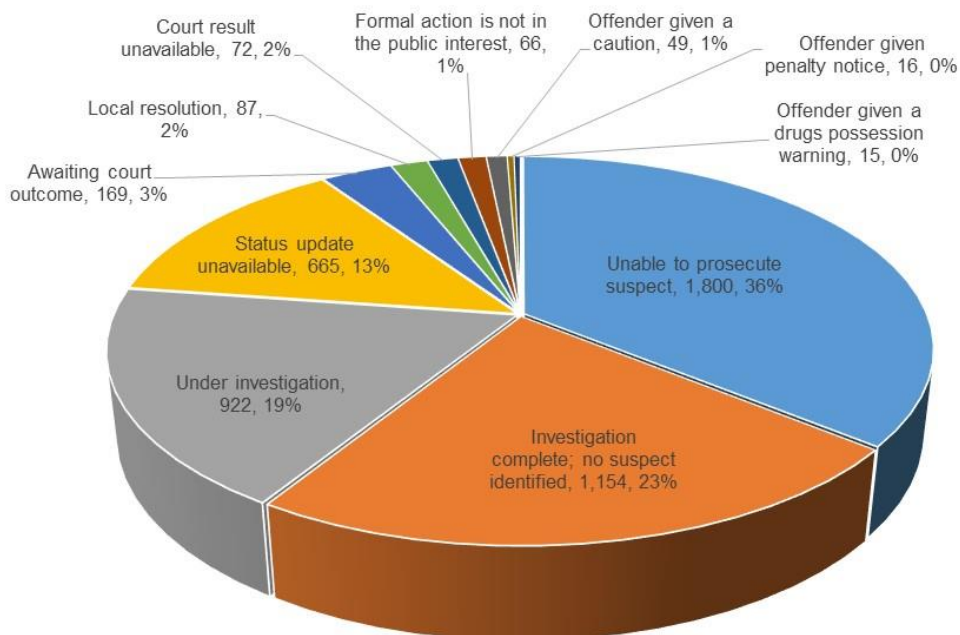


Figure 6 above shows 'last outcome category' of crime. For over a third of crimes (36%), it was not possible to prosecute the suspect, while for 23% of crimes no suspect was identified. Although at this stage, 19% of crimes were still under investigation and 3% were awaiting court outcome.

Council CCTV Provided to Aid Investigations

Table 2 below relates to the period 1 September 2019 – 31 December 2020 and the number of occasions a request was made to the Council for CCTV data, and the number of times evidence bags were provided.

Request Received From:	Number of Requests Received	Number of CCTV Evidence Bags provided
Police	85	34
Member of Public	13	1 (Subject Access Request)
Insurance	4	1
Court	1	1
Total	103	37

Note: Number presented in Appendix B will not match the figure presented above as some requests call on multiple cameras.

Occasions When Council CCTV Data Could Not Be Provided

Table 3 below identifies the number of times and reason CCTV was unavailable to share, following a request for footage. Of 103 requests, CCTV footage was unavailable on 66 occasions.

Reason	Number
The footage was not available or could not be provided for technical reasons (See below Technical Issues)	29
The request was out of the range of the CCTV cameras	13
The request was made but not pursued further by the requester - No further action	10
The footage was checked but contained nothing of evidential value	9
The request was received too late (the system had overwritten any available footage)	2
Unable to provide CCTV due to significantly reduced service during COVID	2
Request to 'live' view multiple cameras - no capacity or facility to do so.	1
Total	66

Technical Issues

Since the system has been installed the following technical issues have occurred:

- Wireless networks in each town centre needed reconfiguration to avoid interference from external Wi-Fi networks. To mitigate this the contractor proactively with the Council's Technical Services involvement arranged for the Manufacturer to attend site to advise on set-up.
- Due to age of existing CCTV columns some water ingress has occurred resulting in electrical faults. Water ingress has since been prevented and faults rectified.
- Premature failure of power supplies to Wi-Fi equipment due to manufacturing defect occurred, replacement power supplies were provided and installed.
- Broadband connectivity to main viewing centre does drop out on occasion due to issues with local router, Technical Services regularly monitor system and reset router when required. Technical Services have engaged with SRS to investigate feasibility and costs of increasing data speeds to local hub sites.
- 1 Camera fault occurred, contractor resolved during implantation.

- Damage to Wi-Fi transmitting equipment occurred in Cwm, replacement unit has been installed.
- Brynmawr, CCTV cameras electrical supply derived from old Library which has been transferred to the Brynmawr Cinema therefore electrical supply needed reconfiguration to be supplied from other source.
- Deployable required customised fabricated bracketry to allow universal mounting.
- Blaina CCTV cameras electrical supply was derived from an old council building which was sold to a third party; this resulted to a loss of supply for the cameras. Therefore, a new electrical supply was configured from a separate public supply via a feeder pillar.
- 4G (mobile transmission) cameras Cefn Golau, Tredegar.

Over and above the noted challenges, there are a number of further technical issues that affect performance of the CCTV system, most notably:

- Broadband connectivity of the Council's Designated CCTV Operator accessing the network to view live feed of cameras.
- Transient Wi-Fi and power fluctuations issues affecting reliability of CCTV units and the system.
- Wi-Fi connection download speeds are slower compared to a hardwire broadband system which has a consequence on the speed of downloading footage.

As a result of the technical issues, some of which are on-going, Technical Services are increasingly reliant on the maintenance contractor to manually download footage directly from cameras in order to provide footage promptly upon receipt of a lawful request.

Technical Services Maintenance

The maintenance for the CCTV system has proven to be more time consuming than predicted, particularly at the early stages of the system being operational. This has been due to a number of different factors, however, the main factor has been the integration of newer technology on old existing infrastructure (water ingress etc.)

Technical Services are carrying out weekly checks of all CCTV cameras to ensure units are fully powered and are in recording mode. (See attached Appendix H for weekly schedule commencing 4th January).

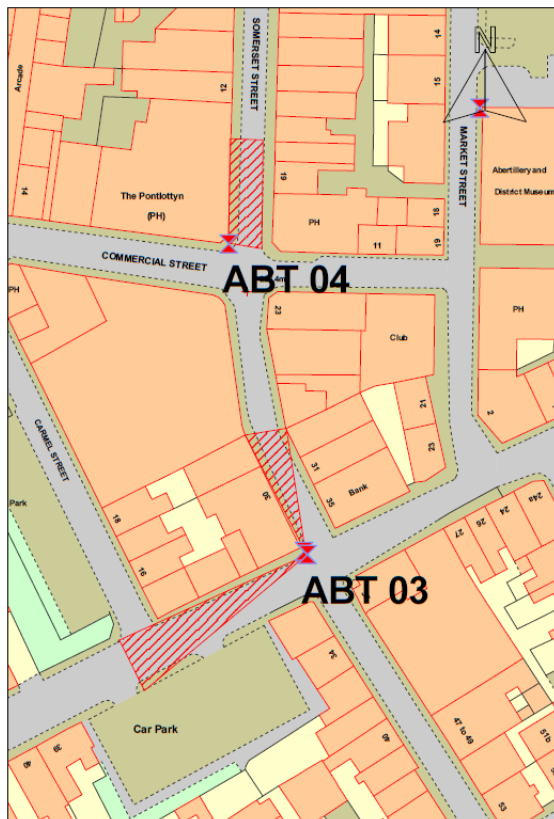
The current CCTV Contractor has been appointed to carry out an annual inspection of the system and the reactive repair and reactive maintenance of the whole system until September 2022.

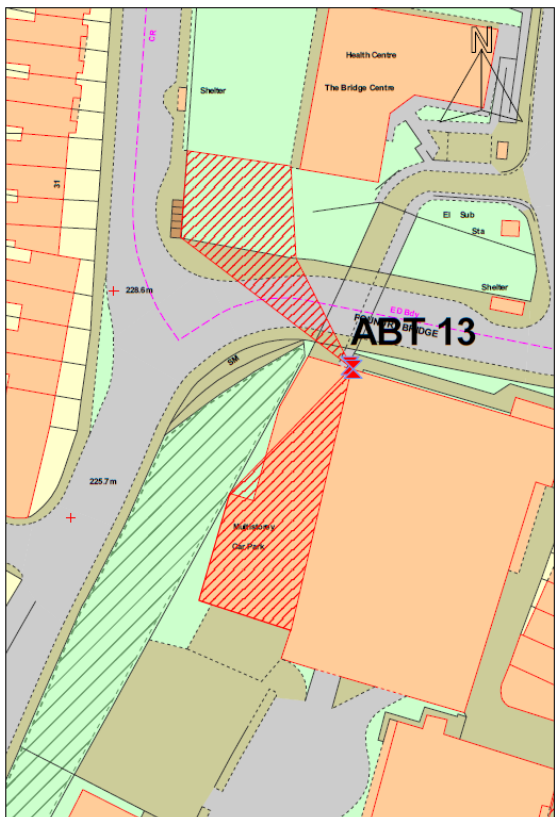
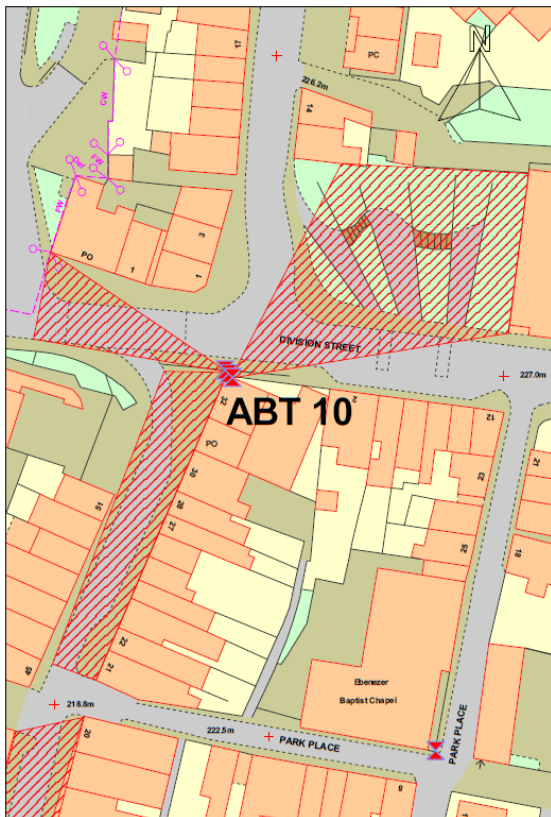
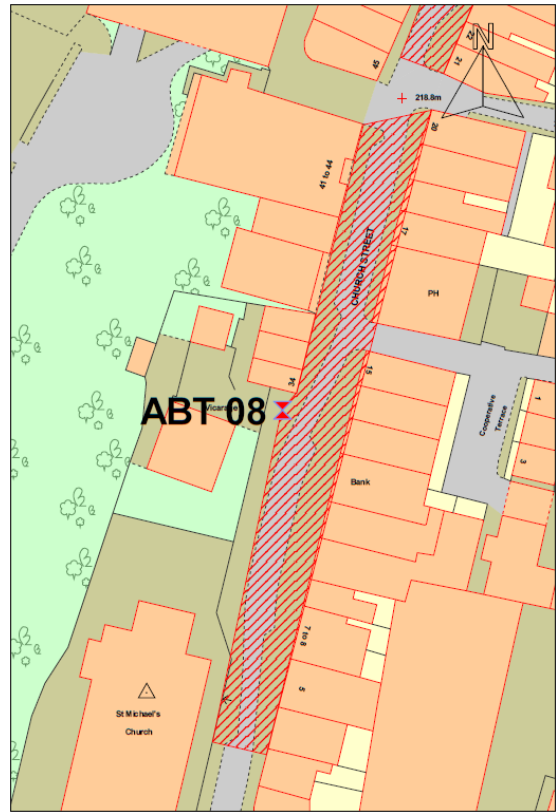
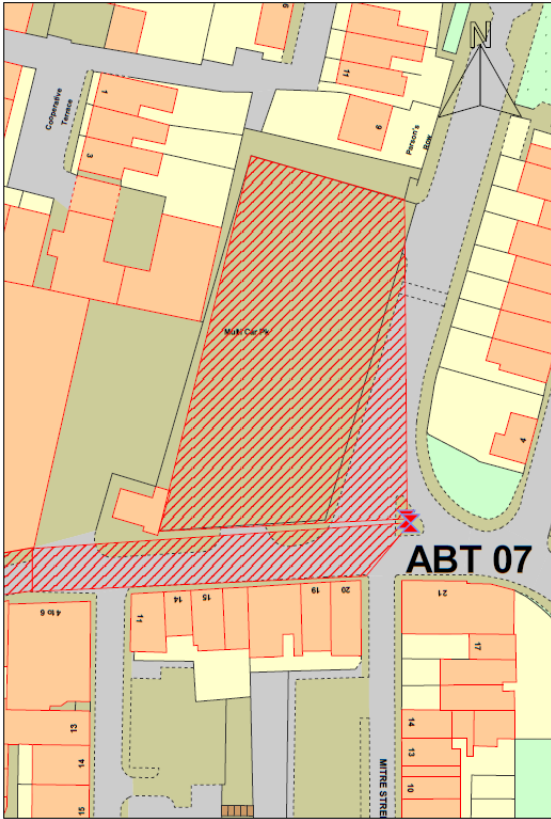
Appendix A: 12 Principles of the Code of Practice

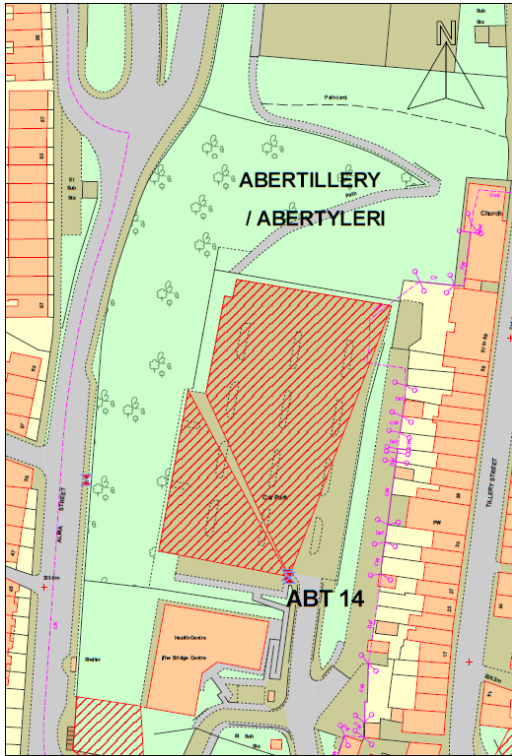
1. Use of a surveillance camera system must always be for a specified purpose which is in pursuit of a legitimate aim and necessary to meet an identified pressing need.
2. The use of a surveillance camera system must take into account its effect on individuals and their privacy, with regular reviews to ensure its use remains justified.
3. There must be as much transparency in the use of a surveillance camera system as possible, including a published contact point for access to information and complaints.
4. There must be clear responsibility and accountability for all surveillance camera system activities including images and information collected, held and used.
5. Clear rules, policies and procedures must be in place before a surveillance camera system is used, and these must be communicated to all who need to comply with them.
6. No more images and information should be stored than that which is strictly required for the stated purpose of a surveillance camera system, and such images and information should be deleted once their purposes have been discharged.
7. Access to retained images and information should be restricted and there must be clearly defined rules on who can gain access and for what purpose such access is granted; the disclosure of images and information should only take place when it is necessary for such a purpose or for law enforcement purposes.
8. Surveillance camera system operators should consider any approved operational, technical and competency standards relevant to a system and its purpose and work to meet and maintain those standards.
9. Surveillance camera system images and information should be subject to appropriate security measures to safeguard against unauthorised access and use.
10. There should be effective review and audit mechanisms to ensure legal requirements, policies and standards are complied with in practice, and regular reports should be published.
11. When the use of a surveillance camera system is in pursuit of a legitimate aim, and there is a pressing need for its use, it should then be used in the most effective way to support public safety and law enforcement with the aim of processing images and information of evidential value.
12. Any information used to support a surveillance camera system which compares against a reference database for matching purposes should be accurate and kept up to date.

Appendix B: CCTV Cameras in each Camera Zone and Requests for Footage between 1st September 2019 – 31st December 2020

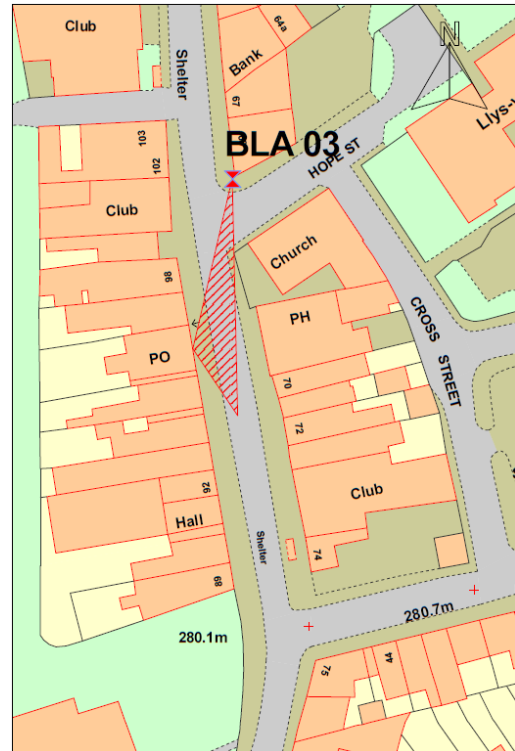
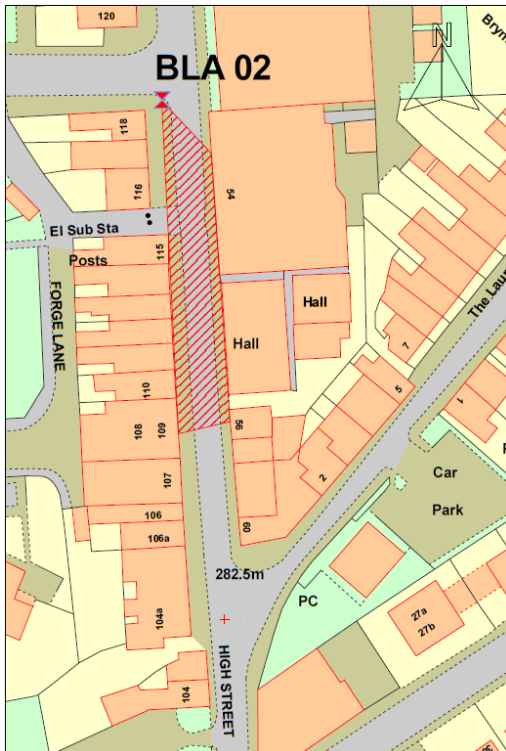
Abertillery Zone			
#	Camera Location number	Street Location	No. of Incidents
1	ABT 03	Junction Somerset Street and King Street	15
2	ABT 03		
3	ABT 04	Somerset Street	
4	ABT 06	High Street	6
5	ABT 06		
6	ABT 07		
7	ABT 07	Intersection of High Street and Division Street	5
8	ABT 08	Church Street Central	7
9	ABT 10	Outside Trinity Chapel, Division Street	1
10	ABT 10		
11	ABT 10		
12	ABT 13	Anvil Court / Foundry Bridge	2
13	ABT 13		
14	ABT 14	Foundry Bridge Car Park	6
15	ABT 14		



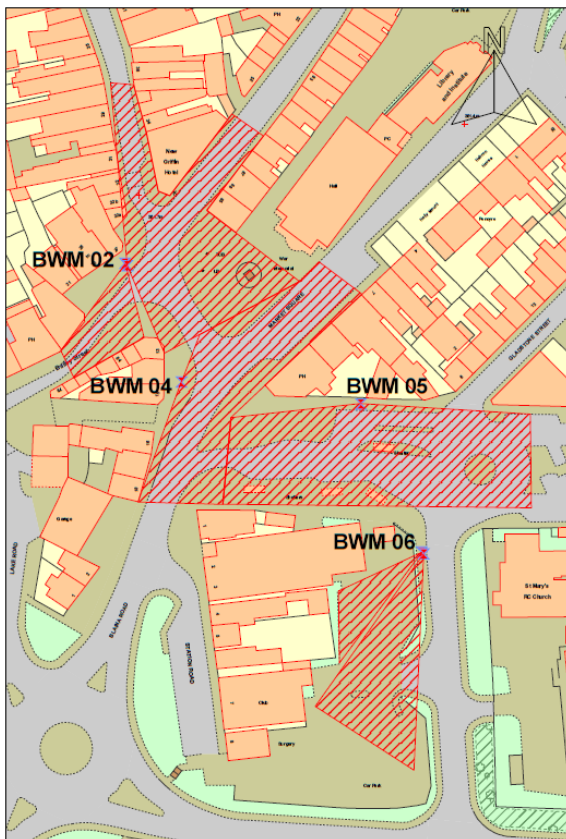




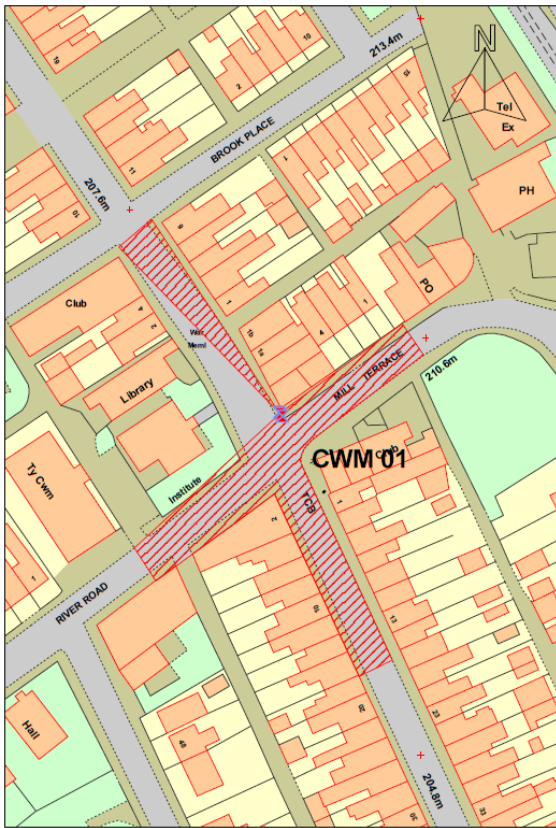
Blaina Zone			
#	Camera Location number	Street Location	No. of Incidents
1	BLA02	High Street	5
2	BLA03		



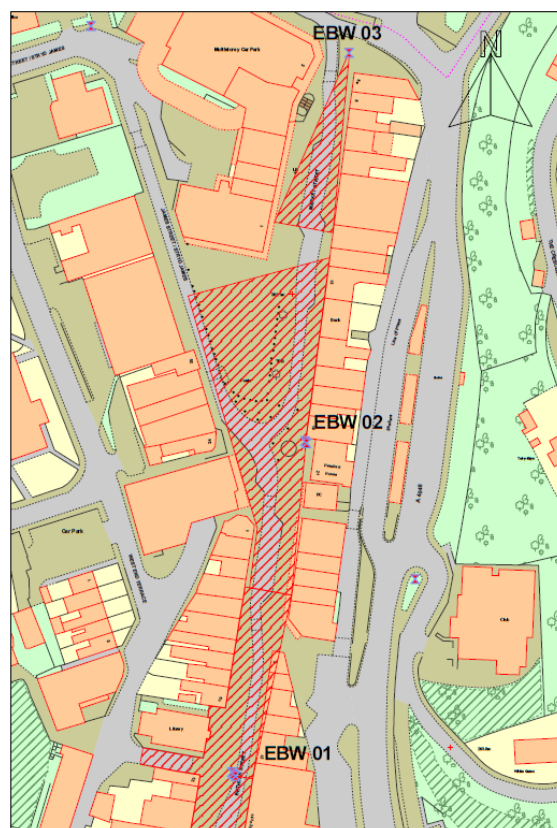
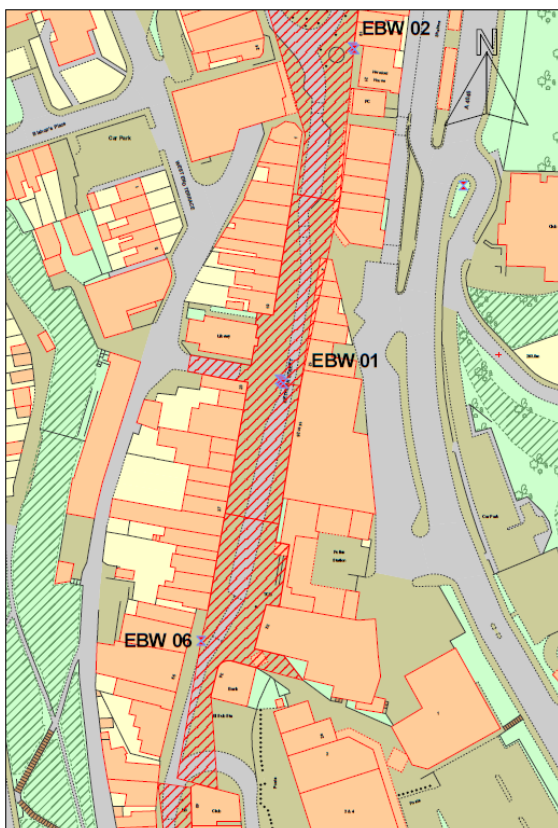
Brynmawr Zone			
#	Camera Location number	Street Location	No. of Incidents
1	BMW 02	Bailey Street	6
2	BMW 02		
3	BWM 04	Market Street and Bailey Street	4
4	BWM 05	Bus Station	2
5	BMW 06	Opposite St Marys Roman Catholic Church	0
6	BWM 06		

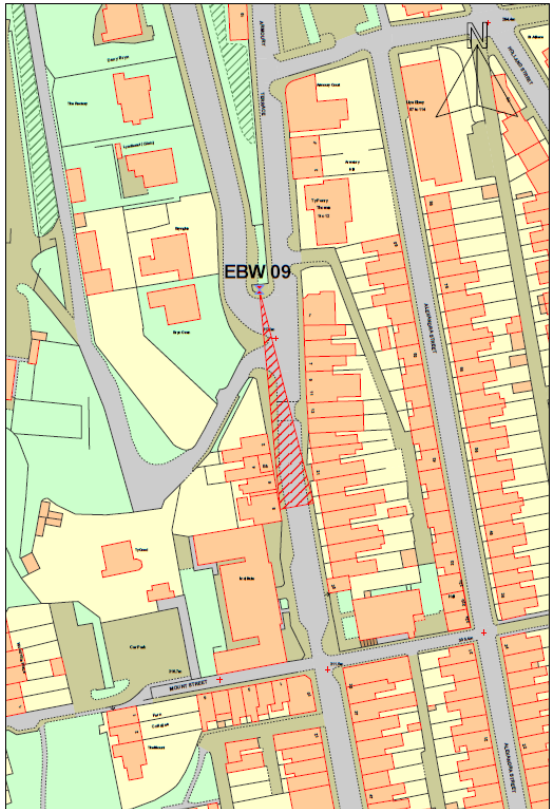
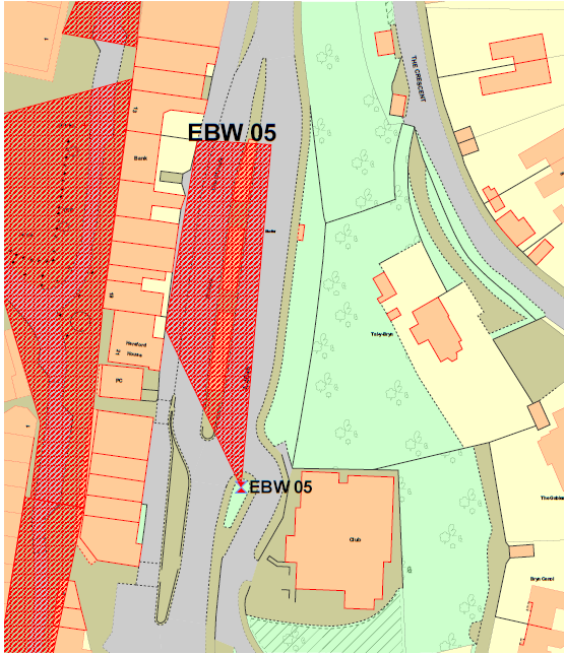


Cwm Zone			
#	Camera Location number	Street Location	No. of Incidents
1	CWM 01	Junction Mill Street and Canning Street	4
2	CWM 01		
3	CWM 01		

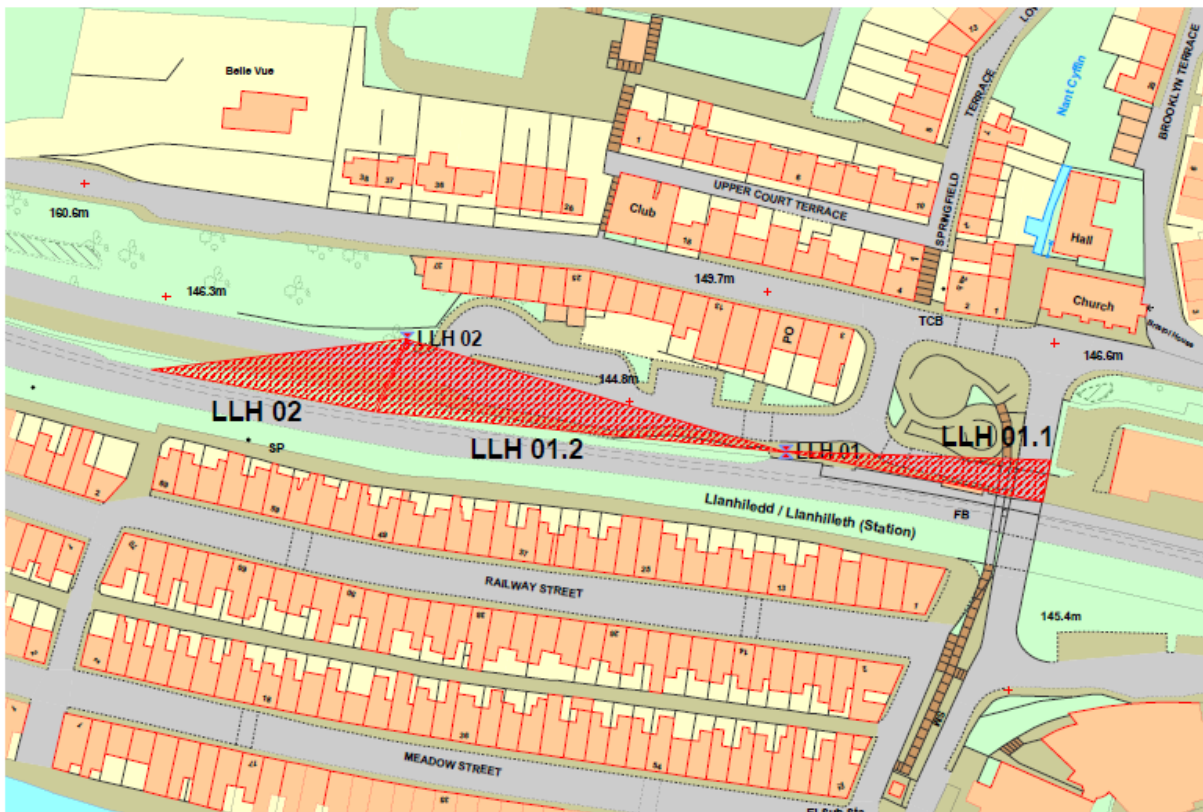


Ebbw Vale Zone			
#	Camera Location number	Street Location	No. of Incidents
1	EBW 01	Bethcar Street, opposite Library	8
2	EBW 01		
3	EBW 01		
4	EBW 02	Intersection of Market Street and Bethcar Street	8
5	EBW 02		
6	EBW 03	Market Street	5
7	EBW 05	A4046 outside Ex-Servicemen's Club	2
8	EBW 06	Bethcar Street	3
9	EBW 07	Bethcar Street	5
10	EBW 07		
11	EBW 07		
12	EBW 09	Armoury Terrace	2

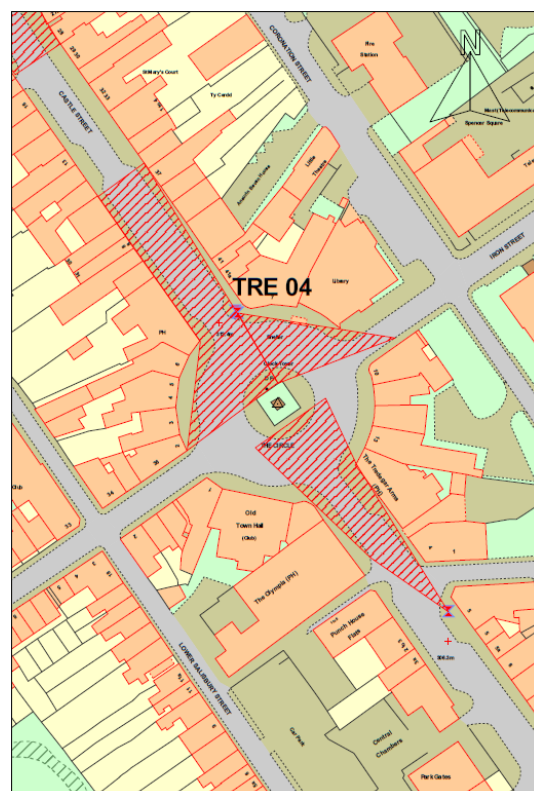
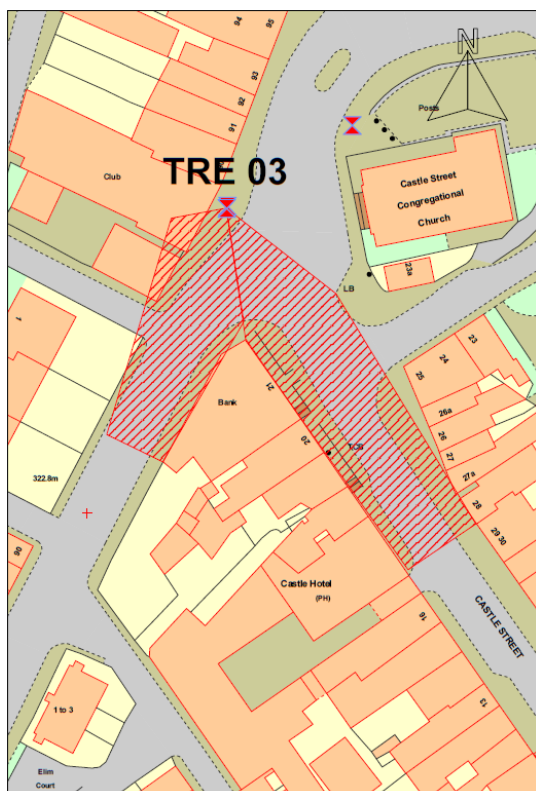


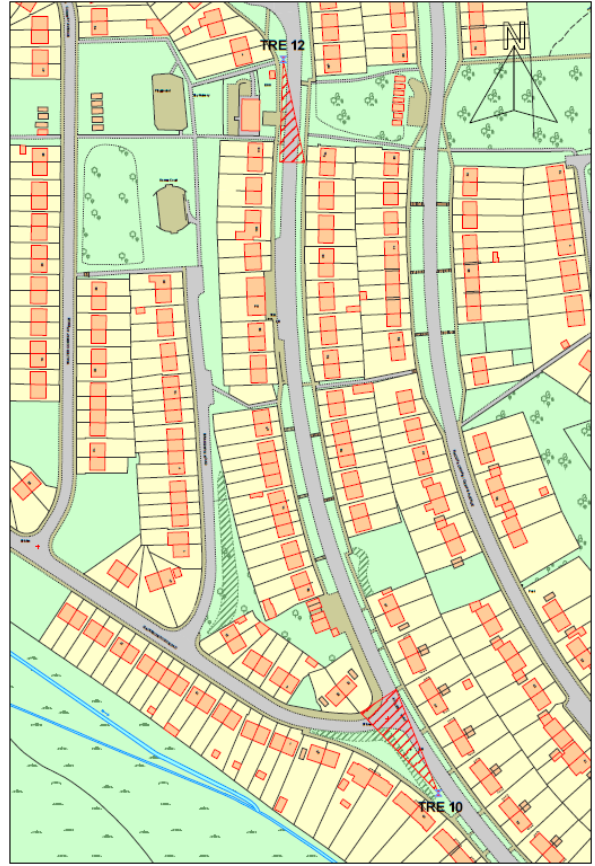
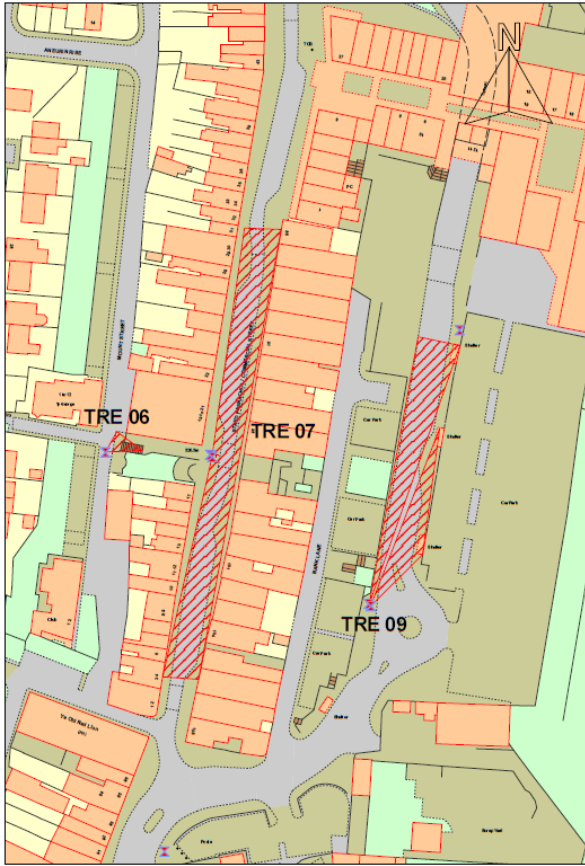


Llanhilleth Zone			
#	Camera Location number	Street Location	No. of Incidents
1	LLH 01	Llanhilleth Railway Station	2
2	LLH 01		
3	LLH 02		



Tredegar Zone			
#	Camera Location number	Street Location	No. of Incidents
1	TRE 03	Junction of Castle Street - Queen Victoria Street	8
2	TRE 03		
3	TRE 04	Corner of Castle Street - The Circle – Morgan Street	4
4	TRE 04		
5	TRE 04		
6	TRE 06	Mount Street steps leading to Commercial Street	1
7	TRE 07	Commercial Street	8
8	TRE 07		
9	TRE 09	Bus Stops – Roundabout to shopping centre	2
10	TRE 09		
11	TRE 10	Attlee Way adjacent junction Gainsborough Road	3
12	TRE 12	Junction of Attlee Way and Attlee Close	2





Appendix C: Blaenau Gwent's Public Space CCTV Code of Practice

The web link will be provided.

Appendix D: Crime by LSOA (lower super output area), Jan 2020 – Nov 2020

LSOA Name	Jan 20 - Nov 20	Pct of total	Rank
Tredegarr Central and West 4	341	6.8%	1
Ebbw Vale South 2	190	3.8%	2
Ebbw Vale North 2	187	3.7%	3
Ebbw Vale South 3	177	3.5%	4
Abertillery 2	177	3.5%	5
Nantyglo 1	172	3.4%	6
Brynmaur 3	143	2.9%	7
Llanhilleth 3	135	2.7%	8
Llanhilleth 2	131	2.6%	9
Cwm 2	131	2.6%	10
Badminton 1	127	2.5%	11
Blaina 3	123	2.5%	12
redegarr Central and West 2	121	2.4%	13
Llanhilleth 1	121	2.4%	14
Sirhowy 3	120	2.4%	15
Blaina 1	119	2.4%	16
Tredegarr Central and West 1	116	2.3%	17
Cwmtillery 1	109	2.2%	18
Cwmtillery 2	106	2.1%	19
Brynmaur 2	104	2.1%	20
Ebbw Vale North 1	103	2.1%	21
Nantyglo 2	102	2.0%	22
Sirhowy 2	101	2.0%	23
Blaina 2	97	1.9%	24
Rassau 2	97	1.9%	25
Brynmaur 4	94	1.9%	26
Ebbw Vale South 1	94	1.9%	27
Tredegarr Central and West 3	89	1.8%	28
Sirhowy 4	89	1.8%	29
Georgetown 2	87	1.7%	30
Abertillery 1	87	1.7%	31
Beaufort 1	81	1.6%	32
Ebbw Vale North 3	79	1.6%	33
Nantyglo 3	77	1.5%	34
Brynmaur 1	76	1.5%	35
Beaufort 2	74	1.5%	36
Georgetown 1	72	1.4%	37
Cwm 3	71	1.4%	38
Six Bells 1	66	1.3%	39
Rassau 1	63	1.3%	40
Beaufort 3	63	1.3%	41
Abertillery 3	60	1.2%	42
Cwmtillery 3	57	1.1%	43
Sirhowy 1	52	1.0%	44
Cwm 1	48	1.0%	45
Badminton 2	45	0.9%	46
Six Bells 2	41	0.8%	47
Total	5,015	100.0%	

Appendix E: Crime Location (within LSOA), January 2020 – November 2020 For locations with 20 or more crimes

Crime - Location within LSOA	Jan 20 - Nov 20	Pct of total	Rank
On or near Parking Area within Tredegar Central and West 4	47	0.9%	1
On or near Supermarket within Tredegar Central and West 4	44	0.9%	2
On or near Parking Area within Ebbw Vale South 2	40	0.8%	3
On or near Waundeg within Sirhowy 3	39	0.8%	4
On or near Attlee Close within redegar Central and West 2	38	0.8%	5
On or near Pedestrian Subway within Tredegar Central and West 4	36	0.7%	6
On or near Barley Field Road within Brynmawr 3	36	0.7%	7
On or near A4047 within Badminton 1	36	0.7%	8
On or near Waunheulog within Nantyglo 1	33	0.7%	9
On or near Park Row within Tredegar Central and West 1	32	0.6%	10
On or near Nightclub within Tredegar Central and West 4	32	0.6%	11
On or near Petrol Station within Badminton 1	31	0.6%	12
On or near Glan Ebbw within Blaina 3	31	0.6%	13
On or near Supermarket within Abertillery 2	30	0.6%	14
On or near St James Way within Georgetown 1	30	0.6%	15
On or near Bus/Coach Station within Nantyglo 1	30	0.6%	16
On or near Mount Pleasant Estate within Llanhilleth 2	29	0.6%	17
On or near Bethcar Street within Ebbw Vale South 2	28	0.6%	18
On or near Hospital within Ebbw Vale South 3	28	0.6%	19
On or near Brynawelon within Nantyglo 1	28	0.6%	20
On or near East Pen-Twyn within Blaina 2	26	0.5%	21
On or near Bryn Pica within Sirhowy 2	25	0.5%	22
On or near Eureka Place within Ebbw Vale South 3	25	0.5%	23
On or near Parking Area within Abertillery 1	24	0.5%	24
On or near Tredegar Road within Ebbw Vale South 1	24	0.5%	25
On or near Gwaun Helyg Road within Ebbw Vale North 2	24	0.5%	26
On or near Upper Salisbury Street within Tredegar Central and West 4	23	0.5%	27
On or near Parking Area within Blaina 1	23	0.5%	28
On or near Petrol Station within Sirhowy 4	23	0.5%	29
On or near Heol Helig within Brynmawr 2	23	0.5%	30
On or near Graig Terrace within Cwm 2	23	0.5%	31
On or near Valley View Road within Cwmtillery 2	22	0.4%	32
On or near Supermarket within Ebbw Vale North 3	21	0.4%	33
On or near Peacehaven within Georgetown 2	21	0.4%	34
On or near Rhoslan within Sirhowy 2	21	0.4%	35
On or near Arael View within Cwmtillery 1	21	0.4%	36
On or near Porters Road within Nantyglo 1	20	0.4%	37
On or near Libanus Road within Ebbw Vale North 1	20	0.4%	38
On or near Railway Street within Llanhilleth 3	20	0.4%	39
On or near Heol-Yr-Ysgol within Ebbw Vale North 2	20	0.4%	40
On or near Heol Gwyn Lliw within Beaufort 1	20	0.4%	41
On or near Garden Street within Ebbw Vale South 3	20	0.4%	42
On or near A4046 within Badminton 1	20	0.4%	43

Appendix F: Anti-Social Behaviour by LSOA (lower super output area), Jan 2020 – Nov 2020

LSOA	Jan 20 - Nov 20	Pct	Rank
Tredegar Central and West 4	185	6.1%	1
Nantyglo 1	144	4.7%	2
Blaina 2	129	4.3%	3
Brynmawr 3	125	4.1%	4
Ebbw Vale South 2	114	3.8%	5
Cwm 2	96	3.2%	6
Sirhowy 3	96	3.2%	7
Llanhilleth 2	92	3.0%	8
Tredegar Central and West 1	84	2.8%	9
Georgetown 1	82	2.7%	10
Cwmtillery 1	81	2.7%	11
Llanhilleth 3	80	2.6%	12
Badminton 1	78	2.6%	13
Abertillery 2	74	2.4%	14
Beaufort 3	74	2.4%	15
Ebbw Vale North 1	74	2.4%	16
Rassau 1	64	2.1%	17
Ebbw Vale North 2	64	2.1%	18
Brynmawr 4	63	2.1%	19
redegar Central and West 2	63	2.1%	20
Georgetown 2	62	2.0%	21
Cwmtillery 3	61	2.0%	22
Cwmtillery 2	60	2.0%	23
Nantyglo 3	58	1.9%	24
Rassau 2	57	1.9%	25
Ebbw Vale North 3	57	1.9%	26
Beaufort 1	56	1.8%	27
Abertillery 3	55	1.8%	28
Blaina 1	54	1.8%	29
Sirhowy 2	54	1.8%	30
Ebbw Vale South 3	50	1.6%	31
Llanhilleth 1	48	1.6%	32
Cwm 3	44	1.5%	33
Blaina 3	44	1.5%	34
Nantyglo 2	42	1.4%	35
Tredegar Central and West 3	38	1.3%	36
Abertillery 1	38	1.3%	37
Sirhowy 1	38	1.3%	38
Sirhowy 4	37	1.2%	39
Brynmawr 2	36	1.2%	40
Six Bells 1	32	1.1%	41
Beaufort 2	29	1.0%	42
Badminton 2	29	1.0%	43
Ebbw Vale South 1	27	0.9%	44
Brynmawr 1	25	0.8%	45
Cwm 1	21	0.7%	46
Six Bells 2	20	0.7%	47
Total	3,034	100.0%	

Appendix G: Anti-Social Behaviour by LSOA (lower super output area), Jan 2020 – Nov 2020 for locations with 20 or more ASB incidents.

Location within LSOA - Anti Social Behaviour	Jan 20 - Nov 20	Pct	Locations
On or near Barley Field Road within Brynmawr 3	39	1.3%	1
On or near Aubrey Terrace within Cwm 2	39	1.3%	2
On or near Sports/Recreation Area within Sirhowy 3	38	1.3%	3
On or near St James Park within Georgetown 1	32	1.1%	4
On or near United Way within Tredegar Central and West 4	31	1.0%	5
On or near A4046 within Badminton 1	29	1.0%	6
On or near Bus/Coach Station within Nantyglo 1	27	0.9%	7
On or near Lakeside Close within Nantyglo 1	27	0.9%	8
On or near Park/Open Space within Tredegar Central and West 1	26	0.9%	9
On or near Supermarket within Ebbw Vale North 3	25	0.8%	10
On or near Parking Area within Tredegar Central and West 4	24	0.8%	11
On or near East Pen-Twyn within Blaina 2	24	0.8%	12
On or near Supermarket within Tredegar Central and West 4	24	0.8%	13
On or near Park/Open Space within Blaina 2	23	0.8%	14
On or near Petrol Station within Badminton 1	22	0.7%	15
On or near Parking Area within Ebbw Vale South 2	21	0.7%	16
On or near Attlee Close within redegar Central and West 2	21	0.7%	17
On or near Nightclub within Tredegar Central and West 4	20	0.7%	18
On or near York Terrace within Cwm 2	19	0.6%	19
On or near Victor Road within Cwmtillery 3	19	0.6%	20
On or near Parking Area within Georgetown 2	18	0.6%	21
On or near Bethcar Street within Ebbw Vale South 2	18	0.6%	22
On or near Parking Area within Cwmtillery 1	17	0.6%	23
On or near Sports/Recreation Area within Cwmtillery 1	17	0.6%	24
On or near Park/Open Space within Cwmtillery 2	17	0.6%	25
On or near Heol Gwyn Lliw within Beaufort 1	17	0.6%	26
On or near Roundhouse Close within Nantyglo 1	17	0.6%	27
On or near Stonebridge Road within Rassau 1	17	0.6%	28
On or near Nant-Y-Cwm within Llanhilleth 2	17	0.6%	29
On or near Tillery Street within Abertillery 3	16	0.5%	30
On or near Parking Area within Brynmawr 3	16	0.5%	31
On or near Mount Pleasant Estate within Llanhilleth 2	16	0.5%	32
On or near Phillips Close within Rassau 2	16	0.5%	33
On or near Waundeg within Sirhowy 3	16	0.5%	34
On or near St James Way within Georgetown 1	16	0.5%	35
On or near Gladstone Street within Brynmawr 3	16	0.5%	36
On or near Parking Area within Llanhilleth 3	16	0.5%	37
On or near Supermarket within Abertillery 2	15	0.5%	38
On or near Rhoslan within Sirhowy 2	15	0.5%	39
On or near Club Row within Blaina 2	15	0.5%	40

Appendix H: Maintenance Schedule 4 January 2021

CAMERA NUMBER	LOCATION	Street Name	On/Off	Comment
Tre01.1	Tredegar Town Centre	Corner of Castle Street and The Circle	On	
Tre01.2			On	
Tre02.1	Tredegar Town Centre	Morgan Street	On	
Tre03.1	Tredegar Town Centre	Top of Castle Street & Queen Victoria Street Opposite	On	
Tre03.2		Barclays Bank	On	
Tre05.1	Tredegar Town Centre	Midway Commercial Street at seating area	On	
Tre05.2			On	
Tre06.1	Tredegar Town Centre	Mount Street Steps leading to Commercial Street	Off	Under IDS investigation
Tre09.1	Tredegar Town Centre	Roundabout to Shopping Centre Car Park	On	
Tre09.2			On	
Tre10.1	Tredegar Cefn Golau	Atlee Way adj Gainsborough Rd Junction	On	No Access to 4G cameras
Tre12.1	Tredegar Cefn Golau	Junction of Atlee Close & Atlee Way	On	No Access to 4G cameras
Ebw01.1	Ebbw Vale	Bethcar Steet Opposite Library	On	
Ebw01.2			On	
Ebw01.3			On	
Ebw02.1	Ebbw Vale	Intersection of Market Street and Bethcar Street	On	
Ebw02.2			On	
Ebw03.1	Ebbw Vale	Market Street	On	
Ebw05.1	Ebbw Vale	A4046 Outside Club	On	
Ebw06.1	Ebbw Vale	Bethcar Street	On	
Ebw07.1	Ebbw Vale	Bethcar Street	On	
Ebw07.2			On	
Ebw07.3			On	
Ebw09.1	Ebbw Vale	Armoury Terrace	On	No Access to 4G cameras
Abt03.1	Abertillery	Junction of Somerset Street and King Street	On	
Abt03.2			On	
Abt04.1	Abertillery	Junction of Somerset Street and King Street	On	
Abt06.1	Abertillery	High Street	On	
Abt06.2			On	
Abt07.1	Abertillery	Intersection High Street & Division Street	On	
Abt07.2	Abertillery		On	
Abt08.1	Abertillery	Church Street	On	
Abt10.1	Abertillery	Outside Trinity Chapel Division Street	On	
Abt10.2			On	
Abt10.3			On	
Abt13.1	Abertillery	New Camera Mounted to Anvil Court BGCB Offices	On	
Abt13.2			On	
Abt14.1	Abertillery	Foundry Bridge Car Park	On	
Abt14.2		Foundry Bridge Car Park	On	
Bwm02.1	Brynmawr	Bailey Street	On	
Bwm02.2		Bailey Street	On	
Bwm04.1	Brynmawr	Junction of Market Street & Bailey Street	On	
Bwm05.1	Brynmawr	Bus Station	On	
Bwm06.1	Brynmawr	Opposite St Marys Roman Catholic Church	On	
Bwm06.2			On	
	Brynmawr	Car Park opposite bus stop	On	
Bla02.1	Blaina	High Street	On	
Bla03.1	Blaina	High Street	On	
Cwm01.1	Cwm	Junction Mill Street & Canning Street	On	
Cwm01.2			On	
Cwm01.3			On	
7.01	Llanhilleth	Railway Station	On	
7.01a			On	
7.02	Llanhilleth	Railway Station	On	
8.01	Deployable Camera	Office	On	No Access to 4G cameras
8.02	Deployable Camera	Office	On	No Access to 4G cameras
8.03	Deployable Camera	Abertillery	On	No Access to 4G cameras
8.04	Deployable Camera	Abertillery	On	No Access to 4G cameras

Appendix I: A Case Study

Community Safety Incident: In the very early hours of New Year's Day 2020, a 25-year-old man deliberately drove his Volkswagen Golf at another man outside the Blaina Constitution Club, High Street, Blaina. The victim received life-threatening injuries as a result of the collision and the offender drove off.

Camera Zone: The incident was captured on the authority's CCTV camera on Blaina High Street (Blaina Zone).

Public Support: Members of the public immediately reported the incident to Gwent Police via 999.

Police Investigation: As the Police began their investigation, they were aware of the Council's CCTV, and subsequently made a lawful request to the Council for the CCTV footage.

Council Support: The recorded evidence from the Council's CCTV system was downloaded, and provided to the Police as an evidence package, to support their investigations.

Back Story

According to press reports, it transpired that the offender had mistakenly identified the victim as being responsible for assaulting him earlier in the evening.

The footage captured by the CCTV proved invaluable to the investigation, providing crucial evidence of the attack including the collision itself and saving the Police significant investigation time. The strength of the evidence helped the Police to arrest and then charge the offender with attempted murder.

By providing high-quality footage to the Police at a very early stage, the Police and the Crown Prosecution Service were assisted in swiftly bringing the offender to justice. The CCTV footage enabled the Police to expedite the investigation which helped to reassure to victim's family and the local community.

The strength of the evidence convinced the offender to plead guilty to causing Grievous Bodily Harm with Intent, therefore a costly trial was avoided. This also prevented the victim and his family suffering the further stress associated with a Crown Court trial.

Outcome:

The offender was sentenced to six years and nine months in prison at Cardiff Crown Court.

Appendix J: Proposed Forward Work Programme 2021/22

Further Action Required	Rationale Taken from the Annual Report and the BG Code of Practice	Lead Department
Develop an Intelligence Framework to broaden the scope of the 'pressing need'	<ul style="list-style-type: none"> The current DPIAs predominant lawful 'pressing-need' and operational requirement was evidenced from published Police crime data on https://www.police.uk/. <p>Elected Member feedback included:</p> <ul style="list-style-type: none"> Concern that some council service areas are dealing with crime and anti-social behaviour, and how CCTV could be used to deal with these matters. A broad consensus that the Council should balance the evidence base for deployment of CCTV with Police crime data, Local Authority data and Community intelligence. 	Policy Team
Develop a BG CCTV Procedure Manual	Blaenau Gwent Council's CCTV Code of Practice will be supplemented by a separate Public Space CCTV Procedure Manual, which will provide guidelines on all aspects of the day-to-day operation of the PS CCTV System. To ensure the purpose and principles of the PS CCTV system are realised, the PS CCTV Procedure Manual will be based upon and expands the contents of the Code of Practice. (This will not be a public document.)	Policy Team
Develop a BG Deployable CCTV Camera Protocol	<ul style="list-style-type: none"> Elected Member feedback included: A need to understand how the Council's deployable cameras will be used and how will the Police and Council departments will be able to access these. The Council currently has a number of deployable CCTV camera units and will work with Gwent Police to develop a Deployable CCTV Camera Protocol, to aid the appropriate assessment of need and rapid deployment to address significant emerging public safety concerns. 	Policy Team
Explore further opportunities to develop elected member engagement on the journey to compliance	<ul style="list-style-type: none"> Elected Member feedback included: Members would welcome more engagement sessions on our journey to compliance. 	SIRO / Democratic Services

<p>Explore the opportunity to improve the efficiency and effectiveness of the CCTV support technology and infrastructure.</p>	<ul style="list-style-type: none"> • Broadband connectivity to main viewing centre does drop out on occasion due to issues with local router, technical services regularly monitor system and reset router when required. Technical services have engaged with SRS to investigate feasibility and costs of increasing data speeds to local hub sites. • Over and above the noted challenges, there are a number of further technical issues that affect performance of the CCTV system, most notably: <ul style="list-style-type: none"> ○ Broadband connectivity of the Council's Designated CCTV Operator accessing the network to view live feed of cameras. ○ Transient Wi-Fi and power fluctuations issues affecting reliability of CCTV units and the system. ○ Wi-Fi connection download speeds are slower compared to a hardwire broadband system which hinders the speed of downloading footage for the user. • As a result of the technical issues, some of which are ongoing, Technical Services are increasingly reliant on the maintenance contractor to manually download footage directly from cameras in order to provide footage promptly upon receipt of a lawful request. 	<p>Technical Services</p>
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Blaenau Gwent County Borough Council

Public Space CCTV System

Code of Practice

<Final Working Draft>

To be considered for review: March 2022

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Certificate of Agreement

The content of this Code of Practice is hereby approved in respect of Blaenau Gwent County Borough Council’s Public Space Closed Circuit Television System and, as far as is reasonably practicable, will be complied with by all who are involved in the management and operation of this System.

Signed for and on behalf of Blaenau Gwent County Borough Council, the ‘System Owner’

Signature:

Name:

Position held: Chief Finance Officer

Section 1 Introduction & Objectives

1.1 Introduction

- 1.1.1 Blaenau Gwent County Borough Council operates a Public Space Closed Circuit Television (CCTV) system (hereafter called the PS CCTV System). The PS CCTV System comprises of a number of cameras installed at strategic locations in the county borough. All the cameras are fixed cameras with no facility to pan, zoom or tilt. The system is currently 'record-only' with no 'live' monitoring taking place. The footage is normally accessed via the CCTV Control Room in the Civic Centre, Ebbw Vale.
- 1.1.2 For the purposes of this document, the PS CCTV System is owned and managed by Blaenau Gwent County Borough Council. The responsibility for the overall management of the PS CCTV System lies with the Nominated Chief Officer who oversees the effective day-to-day management of the control room and the PS CCTV System.
- 1.1.3 For the purposes of the General Data Protection Regulation (GDPR) 2016 and the Data Protection Act 2018 the 'data controller' is Blaenau Gwent County Borough Council.
- 1.1.4 Blaenau Gwent County Borough Council is registered with the Information Commissioner's Office (ICO) under registration reference Z6623658.
- 1.1.5 Details of the telephone numbers of the owners of the PS CCTV System, together with their respective responsibilities, are shown at Appendix A to this Code.

1.2 Statement in respect of The Human Rights Act 1998

- 1.2.1 The Council recognises that Public Authorities and those organisations carrying out the functions of a public service are required to observe the obligations imposed by the Human Rights Act 1998. The Council considers that the use of CCTV in Blaenau Gwent is a necessary, proportionate and appropriate measure to help reduce crime, deter anti-social behaviour and to improve public safety.
- 1.2.2 Section 163 of the Criminal Justice and Public Order Act 1994 creates the power for local authorities to provide closed circuit television coverage of any land within their area for the purposes of crime prevention or victim welfare. Closed circuit television is also considered a necessary initiative by the Council under their duty to the Crime and Disorder Act 1998.
- 1.2.3 It is recognised that the operation of the Blaenau Gwent County Borough Council PS CCTV System may infringe on the privacy of individuals. The Council recognises that it is their responsibility to ensure that the PS CCTV

System should always comply with all relevant legislation, to ensure its legality and legitimacy.

- 1.2.4 The PS CCTV System will only be used as a proportionate response to identified problems and be used only insofar as it is necessary in a democratic society, in the interests of national security, public safety, the economic wellbeing of the area, for the prevention and detection of crime or disorder, for the protection of health and morals, or for the protection of the rights and freedoms of others.
- 1.2.5 Observance of this Code and the accompanying PS CCTV Procedure Manual shall ensure that evidence is secured, retained and made available as required with due regard to the rights of the individual.
- 1.2.6 The Blaenau Gwent County Borough Council PS CCTV System shall be operated with respect for all individuals, recognising the individual right to be free from inhuman or degrading treatment and avoiding any form of discrimination on the basis of age, disability, gender, race, religion or belief, sexual orientation, political or other opinion, national or social origin, association with a national minority, property, birth or other status.

1.3 Objectives of the System

- 1.3.1 The objectives of the Blaenau Gwent County Borough Council PS CCTV System, which form the lawful basis for the processing of data, are:
- The preservation of life and limb, to minimise the risk of harm to the vulnerable and public at large.
 - The prevention and detection of crime.
 - The investigation of crime by identifying offenders, potential victims and witnesses.
 - The prosecution of offenders.
 - The tendering of video and still images in evidence to the Police, other Law Enforcement Agencies and relevant Local Authority Departments for use in the Criminal Justice System.
 - To reduce Anti-Social Behaviour.
 - To promote the objectives of Gwent's Police and Crime Commissioner's Police and Crime Plan 2017-2021 and the Blaenau Gwent Community Safety Hub, to make Blaenau Gwent a safer place to live, work and visit.

1.4 Public Space CCTV Procedure Manual

- 1.4.1 This Code of Practice will be supplemented by a separate Public Space CCTV Procedure Manual, which will provide guidelines on all aspects of the day-to-day operation of the PS CCTV System. To ensure the purpose and principles (see Section 2) of the PS CCTV system are realised, the PS CCTV Procedure Manual is based upon and expands the contents of this Code of Practice. (This will not be a public document.)

Section 2 Statement of Purpose and Principles

2.1 Purpose

2.1.1 The purpose of this document is to state the intention of the PS CCTV System owners and managers, as far as is reasonably practicable to support the objectives of the Blaenau-Gwent County Borough Council PS CCTV System and to outline how it intends to do so.

2.2 The General Principles of Operation

2.2.1 The PS CCTV System will be operated in accordance with the principles and requirements of the Human Rights Act 1998.

2.2.2 The operation of the PS CCTV System will also recognise the need for formal authorisation of any covert 'directed surveillance', as required by the Regulation of Investigatory Powers Act (RIPA) 2000.

2.2.3 The PS CCTV System will be operated with due regard to the relevant definitions, rules and procedures in the Home Office Code of Practice "Covert Surveillance and Property Interference" including updates published from time to time.

2.2.4 Covert surveillance conducted by the Council is outside the scope of this Code and is dealt with by a separate policy statement.

2.2.5 The PS CCTV System will be operated in accordance with General Data Protection Regulation (GDPR) 2016, the Data Protection Act 2018, and the Protection of Freedoms Act 2012.

2.2.6 The PS CCTV System will be operated fairly and within the law. It will only be used for the purposes for which it was established and which are identified within the Code of Practice, or which may be subsequently be agreed in accordance with the Code of Practice.

2.2.7 The PS CCTV System will be operated with due regard to the principle that everyone has the right to respect for his or her private and family life and home.

2.2.8 The public interest in the operation of the PS CCTV System will be recognised by ensuring the security and integrity of operational procedures.

2.2.9 Throughout this Code of Practice, it is intended, as far as reasonably possible, to balance the objectives of the PS CCTV System with the need to safeguard the rights of the individual. The owners of the PS CCTV System operate a corporate complaints procedure, and have in place the

appropriate checks and balances with clear lines of accountability for the PS CCTV System.

- 2.2.10 Involvement with the PS CCTV System by any organisation, individual or authority assumes an agreement by all such participants to comply fully with this Code of Practice and to be accountable under the Code of Practice.

2.3 The Surveillance Camera Commissioner's Code of Practice

- 2.3.1 As per Section 30 (1) (a) of the Protection of Freedoms Act 2012, the PS CCTV System owners and operators must follow a duty to have regard to the Surveillance Camera Commissioner's Code of Practice and the 12 guiding principles contained within:

1. Use of a surveillance camera system must always be for a specified purpose which is in pursuit of a legitimate aim and necessary to meet an identified pressing need.
2. The use of a surveillance camera system must take into account its effect on individuals and their privacy, with regular reviews to ensure its use remains justified.
3. There must be as much transparency in the use of a surveillance camera system as possible, including a published contact point for access to information and complaints.
4. There must be clear responsibility and accountability for all surveillance camera system activities including images and information collected, held and used.
5. Clear rules, policies and procedures must be in place before a surveillance camera system is used, and these must be communicated to all who need to comply with them.
6. No more images and information should be stored than that which is strictly required for the stated purpose of a surveillance camera system, and such images and information should be deleted once their purposes have been discharged.
7. Access to retained images and information should be restricted and there must be clearly defined rules on who can gain access and for what purpose such access is granted; the disclosure of images and information should only take place when it is necessary for such a purpose or for law enforcement purposes.
8. Surveillance camera system operators should consider any approved operational, technical and competency standards relevant to a system and its purpose and work to meet and maintain those standards.
9. Surveillance camera system images and information should be subject to appropriate security measures to safeguard against unauthorised access and use.
10. There should be effective review and audit mechanisms to ensure legal requirements, policies and standards are complied with in practice, and regular reports should be published.
11. When the use of a surveillance camera system is in pursuit of a legitimate aim, and there is a pressing need for its use, it should then be used in the most effective way to support public safety and law enforcement with the aim of processing images and information of evidential value.

12. Any information used to support a surveillance camera system which compares against a reference database for matching purposes should be accurate and kept up to date.

2.4 Copyright and Data Controller

2.4.1 Copyright and ownership of all material recorded by virtue of the PS CCTV System will remain with the Data Controller – the Council.

2.4.2 The PS CCTV System owner (the Council) is the data controller for the purposes of the Data Protection Legislation. Once recorded data has been disclosed to another party, such as the Police, they may then become a ‘controller in common’ for the processing of that data independently of the CCTV System owner. Both parties should exercise all due diligence in ensuring compliance with the Data Protection legislation.

2.5 Cameras and Area Coverage

2.5.1 The areas covered by PS CCTV to which this Code of Practice refers are the public areas within Blaenau Gwent County Borough. The System is currently divided into 7 distinct zones - Ebbw Vale, Tredegar and Cefn Golau, Brynmawr, Abertillery, Blaina, Cwm, and Llanhilleth Railway Station. The System may be expanded to cover any area within the boundaries of Blaenau Gwent County Borough Council.

2.5.2 Deployable or mobile cameras may be temporarily sited within Blaenau Gwent. The use of such cameras, and the data produced by virtue of their use, will always accord with the objectives of the System and is governed by this PS CCTV System Code of Practice and the PS CCTV System Procedure Manual.

2.5.3 All of the PS CCTV System cameras offer a full colour and fixed view capability, using a variety of ‘bullet’ cameras, 180° Panoramic, Turret and 4G Mobile cameras some of which may automatically switch to monochrome in low light conditions.

2.5.4 None of the cameras forming part of the PS CCTV System will be installed in a covert manner. Some cameras may be enclosed within ‘all weather domes’, for aesthetic or operational reasons, but appropriate bi-lingual signage will identify the presence of all cameras.

2.5.5 The locations of all cameras within the PS CCTV System are published on the Blaenau Gwent Council website at www.blaenau-gwent.gov.uk

2.6 Monitoring and Recording Facilities

2.6.1 The footage is normally accessed via the Public Space CCTV Control Room which is located in the Civic Centre, Ebbw Vale. It can also be accessed remotely in extenuating circumstances or for technical and maintenance purposes.

- 2.6.2 The PS CCTV System equipment has the capability of recording all cameras simultaneously throughout every 24-hour period.
- 2.6.3 PS CCTV System operators are able to record images from selected cameras, produce hard copies and digital copies of recorded images, replay or copy any pre-recorded data at their discretion and in accordance with the Code of Practice. Only trained and authorised users shall operate viewing, recording equipment and handle any downloaded data.

2.7 Human Resources

- 2.7.1 A register of all designated PS CCTV System Operators will be maintained by the SIRO.
- 2.7.2 All Designated PS CCTV System Operators shall receive relevant training and should have requisite knowledge in the requirements of the:
- Human Rights Act 1998,
 - General Data Protection Regulation (GDPR) 2016,
 - Data Protection Act 2018,
 - Regulation of Investigatory Powers Act (RIPA) 2000,
 - Surveillance Camera Commissioner's Code of Practice, and this
 - Code of Practice and the PS CCTV Procedure Manual.
- 2.7.3 Further training will be identified and provided as necessary.

2.8 Processing and Handling of Recorded Material

- 2.8.1 All recorded material will be recorded in digital format and will be processed and handled strictly in accordance with the Code of Practice and the PS CCTV System Procedure Manual.

2.9 CCTV Operators' Instructions

- 2.9.1 Technical instructions on the use of equipment housed within the PS CCTV Control Room are contained in a separate manual provided by the equipment suppliers.

2.10 Changes to the Code of Practice or the Procedure Manual

- 2.10.1 Any major changes to this Code of Practice or the PS CCTV System Procedure Manual, i.e. changes that have a significant impact upon the Code of Practice or upon the operation of the PS CCTV System, will be considered and authorised by annual review process.
- 2.10.2 Minor changes, such as may be required for clarification and which will not have a significant impact, will be included in this Code of Practice and the PS CCTV System Procedures Manual without requiring higher authorisation.

Section 3 Privacy and Data Protection

3.1 Public Concern

- 3.1.1 Although members of the public have become accustomed to being observed, those who do express concern do so mainly over matters relating to the processing of the information, or data, i.e. what happens to information that is obtained?

Note: 'Processing' means any operation or set of operations which is performed on personal data or on sets of personal data, whether or not by automated means, such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction of the information or data.

- 3.1.2 All personal data obtained by virtue of the PS CCTV System shall be processed fairly and lawfully and, in particular, shall only be processed in the exercise of achieving the stated objectives of the PS CCTV System. When processing personal data, the individual right to privacy in their private and family life and home will be respected. Blaenau Gwent County Borough Council's lawful basis for processing data is for the performance of a task carried out in the public interest.
- 3.1.3 Data will be stored securely in accordance with the requirements of the General Data Protection Regulation (GDPR) 2016 and the Data Protection Act 2018.
- 3.1.4 Data Protection Impact Assessments will be completed for the respective PS CCTV zones, and will be reviewed annually to ensure that privacy and data protection concerns are appropriately addressed.
- 3.1.5 Cameras will not be used to look into private residential property. 'Privacy zones' are programmed into the PS CCTV System which prevent the cameras from looking in private residence. In addition, all operators will be specifically trained on issues in relation to privacy.
- 3.1.6 A member of the public wishing to register a complaint about any aspect of the PS CCTV System may do so by contacting Blaenau Gwent County Borough Council. All complaints shall be dealt with in accordance with the Council's Corporate Complaints Procedure. Any disciplinary issue identified will be considered under the Council's disciplinary procedures.
- 3.1.7 All contracted or directly employed PS CCTV System staff are contractually bound by regulations governing confidentiality and discipline.

3.2 Data Protection Legislation

3.2.1 For the purposes of the Data Protection Act 2018 the 'Data Controller' is the Blaenau Gwent County Borough Council.

3.2.2 All personal data will be processed in accordance with the six principles of the General Data Protection Regulation (GDPR) 2016, which must be:

- 1) All personal data will be obtained and processed fairly and lawfully.
- 2) Personal data will be held only for purposes specified.
- 3) Personal data held will be adequate, relevant and not excessive in relation to the purpose for which the data is processed.
- 4) Steps will be taken to ensure that personal data is accurate and where necessary, kept up to date.
- 5) Personal data will be held for no longer than is necessary.
- 6) Personal data will be processed in accordance with the rights of the individual data subject.

3.2.3 In addition – appropriate measures will be taken to ensure against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to personal data.

Personal data will not be transferred to countries outside the European Economic Area unless there is an adequate level of protection for the rights and freedom of data subjects in place in the intended destination.

3.3 Disclosing personal information – exemptions under the Data Protection legislation

3.3.1 Certain exemptions allow for the disclosure of personal data in situations where there would otherwise be a breach of the Data Protection legislation, or allow information to be withheld from Data Protection legislation, or allow information to be withheld from data subjects in circumstances in which it would otherwise need to be disclosed.

3.3.2 The more commonly deployed exemptions are:

- 1) the disclosure is necessary for the purposes of preventing or detecting crime and the apprehension or prosecution of offenders;
- 2) the disclosure is necessary for the purposes of maintaining effective immigration control, or the investigation or detection of activities that would undermine the maintenance of effective immigration control;
- 3) the disclosure is required by an enactment, rule of law or court/tribunal order;
- 4) the disclosure is necessary for the purposes of actual or prospective legal proceedings, or obtaining of legal advice or establishing, exercising or defending of legal rights.

3.3.3 Processing personal data is exempt from the subject access provisions to the extent to which the application of those provisions to the data would be likely to prejudice any of the purposes referred to above.

3.4 Disclosure to the Police

3.4.1 The disclosure of recorded data will be on the authority of the Nominated Chief Officer and dealt with in accordance with the PS CCTV Procedure Manual.

3.4.2 Disclosure will be in accordance with the Information Sharing Agreement with Gwent Police (when arranged), including the submission of Gwent Police Form - "Request to external organisation for the disclosure of personal data to the Police", which will cite a specified, explicit and legitimate purpose for the disclosure/sharing of data. This means that the reason(s) for each instance of a disclosure (including viewing)/sharing of data must be set out clearly by the Police, including their reliance on any Data Protection legislation exemptions and justification for reliance on the exemptions.

3.4.3 Once an image or images has been disclosed to a partner agency such as the Police, then they become the Data Controller for the copy of that image(s). It is then the responsibility of that partner to comply with General Data Protection Regulation (GDPR) 2016 and the Data Protection Act 2018 in relation to any further disclosures.

3.5 Criminal Procedures and Investigations Act 1996 (CPIA)

3.5.1 The Criminal Procedures and Investigations Act 1996 introduced a statutory framework for the disclosure to defendants of material that the prosecution would not intend to use in the presentation of its own case. This material is known as 'unused material'. A summary of the provisions of the Act is contained within the PS CCTV Procedure Manual, but disclosure of unused material under the provisions of this Act should not be confused with the obligations placed on the data controller by Section 45 of the Data Protection Act 2018, known as subject access.

3.6 Disclosure to Insurance Companies

3.6.1 The disclosure of recorded data will be on the authority of the PS CCTV Supervisor and dealt with in accordance with the PS CCTV Procedure Manual.

3.6.2 A request can be made by emailing cctv@blaenau-gwent.gov.uk. The relevant form will be forwarded and the request will be dealt with once payment for disbursements (a minimum fee of £50) is received by the PS CCTV System Owner. All information regarding the footage will be logged in the PS CCTV Control Room Data log.

3.7 Disclosure to the Media

- 3.7.1 The Data Protection legislation exemption (Schedule 2, part 5, para 26(3) of the Data Protection Act 2018) applies to journalism but this should not be construed as an automatic blanket exemption from the Data Protection legislation -the media must still ensure they give consideration to the data protection rights of individuals.
- 3.7.2 The CCTV System Owner must be satisfied that the disclosure is lawful, sufficiently justified in the public interest and would be fair and meet the 'legitimate interests' condition. If the information in question is sensitive personal data (someone's health, sex life or allegations of criminal activity), there is a specific Data Protection legislation condition to allow a public interest disclosure to journalists if it is related to wrongdoing or incompetence, but otherwise, the CCTV System Owner will need to be satisfied that one of the conditions for processing sensitive data applies. The key is proportionality. It is a balancing act – if there is a serious privacy intrusion or risk of harm, the media will need to demonstrate/establish a significant public interest to justify the disclosure.
- 3.7.3 The Data Protection legislation does not oblige the CCTV System Owner to disclose information to the media, if it disagrees with the media's view of the public interest, or if the CCTV System Owner has other overriding legal, professional or reputational reasons to refuse to disclose the information.
- 3.7.4 *Before disclosing information to the media, the CCTV System Owner must ensure that the request cites an appropriate public interest justification.*

3.8 Request for information (Subject Access Requests)

- 3.8.1 Personal data includes CCTV images of an individual, or images, which gives away information about an individual, such as their car number plate.
- 3.8.2 An individual is only entitled to their own data, and not to information relating to other people, (unless the information is also about them or they are acting on behalf of someone). Therefore, it is important that the PS CCTV System owner establishes whether the information requested falls within the definition of personal data. For further information about the definition of personal data please see the ICO Right of Access Guidance on what is personal data.
- 3.8.3 The Data Protection legislation does not prevent an individual making a subject access request via a third party such as a solicitor. In these cases, the PS CCTV System owner will need to satisfy itself that the third party making the request is entitled to act on behalf of the individual, but it is the third party's responsibility to provide evidence of this entitlement. This might be a written authority to make the request or it might be a more general power of attorney.

- 3.8.4 A child can also request access to information held and shared. Even if a child is too young to understand the implications of subject access rights, it still has the right rather than anyone else such as parent or guardian. So, it is the child who has a right of access to the information held about them, even though in the case of young children, these rights are likely to be exercised by those with parental responsibility for them.
- 3.8.5 Responding to a subject access request may involve providing information that relates both to the individual making the request and to another individual (perhaps a perpetrator). The PS CCTV System owner can refuse to comply with the request if it would mean disclosing information about another individual who can be identified from that information, except if:
- a) the other individual has consented to the disclosure, or
 - b) it is reasonable to comply with the request without that individual's consent.
- 3.8.6 In determining whether it is reasonable to disclose the information, the PS CCTV System owner must consider all the relevant circumstances including:
- the type of information that it would disclose;
 - any duty of confidentiality owed to the other individual;
 - any steps taken to seek consent from the other individual;
 - whether the other individual is capable of giving consent and
 - any express refusal of consent by the other individual.
- 3.8.7 This means that although the PS CCTV System owner may sometimes be able to disclose information relating to a third party, it needs to decide whether it is appropriate to do so in each case. The decision will involve balancing the data subject's rights of access against the other individual's rights. If the other person consents to the disclosure of information about them, then it would be unreasonable not to do so. However, if there is no such consent, the PS CCTV System owner must decide whether to disclose the information anyway.
- 3.8.8 Under Data Protection legislation, it is an offence to make any amendment with the intention of preventing its disclosure.
- 3.8.9 Any personal access request from an individual for the disclosure of their personal data, which they believe is recorded by virtue of the PS CCTV System, will be directed in the first instance to the Nominated Chief Officer and dealt with by an appropriate Designated CCTV Officer, in accordance with the Data Protection legislation.
- 3.8.10 In supplying the footage, care must be taken not to disclose any personal data of another individual. This may involve 'blurring' or 'pixilating' parts of the footage such as figures or licence plates.

- 3.8.11 The information will be provided free of charge. However, a reasonable fee based on the administrative cost of providing the information may be charged when a request is manifestly unfounded or excessive, particularly if it is repetitive. A reasonable fee may also be charged to comply with requests for further copies of the same information.
- 3.8.12 Any person making a subject access request must be able to prove their identity and provide sufficient information to enable the data to be located.
- 3.8.13 When responding to a subject access request, the Council cannot apply a policy of blanket non-disclosure. There must be a selected and targeted approach to non-disclosure based on the circumstances of the particular case.
- 3.8.14 The rights of data subjects are qualified rights and are not absolute. The Data Protection legislation recognises that in some circumstances, the Council might have a legitimate reason for not complying with a subject access request, so it provides a number of exemptions & restrictions from the duty to do so.

The most commonly deployed exemptions are:

- where the information is subject to legal or litigation privilege;
 - where the information contains the personal data of a third party;
 - where the information is of the type, which would be likely to prejudice the prevention or detection of crime, or the apprehension or prosecution of offenders if disclosed.
- 3.8.15 Where an exemption or restriction applies to the facts of a particular request, the Council may refuse to provide all or some of the information requested, depending on the circumstances. The application of exemptions/restrictions must be undertaken in consultation with Legal Services.
- 3.8.16 Requests by third parties for disclosure of personal data third may include, but are not limited to:
- Police (civil police, British Transport Police, Ministry of Defence Police, or Military Police)
 - Statutory authorities/bodies with powers to prosecute, (e.g. H.M Customs and Excise, Trading Standards etc.)
 - Solicitors
 - Insurance agencies.
- 3.8.17 Requests by third parties are dealt with in accordance with Section 9 and Appendix C of this Code.

3.9 Requests by Council employees and members of the public – alleged incidences on PS CCTV System Owner’s premises

- 3.9.1 Requests may be made by the PS CCTV System Owner’s employees and members of the public for CCTV footage of activity in/on the PS CCTV System Owner’s premises e.g. car parks where criminal damage to vehicles is being alleged.
- 3.9.2 The ICO advises that consideration should be given to whether the request is genuine and whether there is any risk to the safety of the other people involved.
- 3.9.3 The Council is in no position to accurately assess the risk posed to individuals when PS CCTV footage is requested by a private person or group. Routinely the council will only disclose to approved and authorised third parties such as Police and Insurance Companies and will only consider requests by other parties in rare circumstances where it is clear there is no risk to others. This has no effect on the policy in regards to Data Subject Access Requests.
- 3.9.4 Vehicle crime should be reported by the individual to Gwent Police and/or to their insurance agency.
- 3.9.5 Any request from an individual for confirmation as to whether or not personal data concerning them is being processed and, where that is the case, access to the personal data will be directed in the first instance to the Data Protection Officer. Each request will be assessed on its own merits.
- 3.9.6 The principles of Sections 45 of the Data Protection Act 2018 and the General Data Protection Regulation (GDPR) 2016 Article 15 (Rights of Data Subjects and others) shall be followed in respect of every request.
- 3.9.7 Any person making a request must be able to prove his identity and provide sufficient information to enable the data to be located. For further information on Subject Access Requests please see [here](#).

Section 4 Accountability and Public Information

4.1 The Public

4.1.1 Public access to the PS CCTV Control Room will be prohibited. However, in the interest of openness and accountability anyone wishing to visit the Control Room may make a request to the Nominated Chief Officer for written authority to do so. Visitors will always be accompanied by one of the Designated CCTV Officers. Although a visit will only take place in the presence of a designated CCTV Operator, he or she will not be expected to take responsibility for such a visit but will record the visit as follows:

- Date, time and duration of visit
- Names and status of visitors
- Purpose and/or justification of visit.

4.1.2 All visitors will be entered into the Log book by the PS CCTV Operator on duty who will inform visitors of the requirement for a Declaration of Confidentiality. No visits will take place or continue whilst a live incident is running.

4.2 Public Space CCTV System Owner

4.2.1 The CCTV System owner is Blaenau Gwent County Borough Council.

4.3 The Senior Information Risk Officer (SIRO)

4.3.1 The Senior Information Risk Officer (SIRO) will perform the role of Senior Responsible Officer (SRO).

4.3.2 The SIRO is responsible for authorising overt surveillance utilising the PS CCTV System and the Deployable mobile cameras. They are also responsible for authorising any changes to the PS CCTV System affecting the views or scope of the PS CCTV System via the submission of a Data Protection Impact Assessment.

4.3.3 The SIRO is responsible for agreeing any significant changes to this Code of Practice and the PS CCTV Procedure Manual.

4.4 Data Controller

4.4.1 The Data Controller means a person who (either alone or jointly or in common with other persons) determines the purposes for which and the manner in which any personal data are, or are to be processed.

4.4.2 Blaenau Gwent County Borough Council is registered with the Information Commissioner's Office (ICO) as a Data Controller.

4.5 Nominated Chief Officer (CCTV)

4.5.1 The Nominated Chief Officer is the nominated representative on behalf of the Owner whose role will include responsibility to:

- Have unrestricted access to the Control Room and will receive reports at agreed periods from the CCTV System Manager.
- Liaise with the SIRO to consult with regard to changes to any of its aspects of the CCTV System, including this Code of Practice and the PS CCTV Procedure Manual.
- Ensure that statistical and other relevant information, including any complaints made, will be included in the Annual Report of Blaenau Gwent County Borough Council, and will be made available to the public, Elected Members and other relevant stake holders.

4.6 CCTV System Manager

4.6.1 The Nominated Chief Officer will identify a CCTV System Manager. The System Manager will have delegated authority for data control on behalf of the Data Controller, who will:

- Maintain day to day management of the System as a whole.
- Accept overall responsibility for the System and for ensuring that the Code and requirements of the Procedural Manual are complied with.
- Ensure that every complaint is dealt with in line with the Corporate Complaints Policy.

4.7 Designated CCTV Officers

4.7.1 The designated CCTV Officers will have day-to-day access to the PS CCTV System. They will consist of suitably trained staff as identified by the Nominated Chief Officer.

4.8 Public Information

4.8.1 This Code of Practice - A copy shall be published on the Council's website and will be made available to anyone on request.

4.8.2 Annual Report - A copy of the Annual Report shall be published on the Council's website and will be made available to anyone requesting it.

4.8.3 Signs – Bilingual (Welsh and English) signs will be placed in the locality of the cameras and at main entrance points to the relevant areas, e.g. pedestrian precincts. The signs will indicate:

- The presence of CCTV recording;
- The 'owners' of the CCTV System;
- The contact telephone number; and
- The purpose of the CCTV System.

Section 5 Assessment of the Public Space CCTV System and Code of Practice

5.1 Evaluation

5.1.1 The PS CCTV System will be evaluated periodically to establish whether the objectives of the PS CCTV System are being met. The evaluation will normally include, but not be limited to the following:

- An assessment of the impact upon crime and Anti-Social Behaviour;
- An assessment of the incidents recorded by the System, to include where possible an assessment of the value of evidence provided, and the outcomes of investigations;
- An assessment of the impact on town centre businesses;
- An assessment of neighbouring areas without PS CCTV;
- A review of the Code of Practice and PS CCTV Procedure Manual;
- A review of the continuing relevancy of the objectives of the PS CCTV System; and
- Any other factors - such as PS CCTV System security checks.

5.1.2 The results of any evaluation will be published as part of the Annual Report and will be used to review, develop and make any alterations to the specified purposes and objectives of the scheme as well as the functioning, management and operation of the System.

5.2 Monitoring

5.2.1 The Nominated Chief Officer will be responsible for the operation and evaluation of the PS CCTV System, and the implementation of this Code of Practice.

5.2.2 The Designated Officers shall be responsible for maintaining full management information of incidents dealt with by the PS CCTV Control Room, for use in managing the PS CCTV System and in future evaluations. These and any other issues with the PS CCTV System will be logged and reported to the Senior Information Risk Owner (SIRO).

5.3 Audit

5.3.1 Blaenau Gwent Council's Audit Managers, or nominated deputies, who are not Designated Officers, will be given full access to the System when requested.

5.4 Lay Visitors

5.4.1 An independent panel of community volunteers, may be appointed to carry out periodic visits to the PS CCTV Control Room. Accredited lay visitors will be allowed access to the Control Room at all times unless operational conditions prohibit this.

- 5.4.2 The purpose of such lay visits is to ensure that, within the constraints of the Data Protection legislation and other relevant legislation, the PS CCTV System and its management and operation remain as open as possible to public scrutiny.
- 5.4.3 Lay visitors will be required to be conversant with this Code of Practice and the PS CCTV Procedure Manual.
- 5.4.4 Accredited lay visitors will be asked to monitor PS CCTV Operators' and managers' adherence to this Code of Practice and the PS CCTV Procedure Manual and to report any contravention to the Designated Officers.
- 5.4.5 Lay visitors will be required to sign a Declaration of Confidentiality and to abide by this Code of Practice at all times. (See Appendix D)
- 5.4.6 Normally, no more than two lay visitors will visit the PS CCTV Control Room at any one time. They will be required to have their personal details entered into the PS CCTV Control Room Log book and will, as far as practicable, be accompanied by a Designated CCTV Officer.

Section 6 Human Resources

6.1 The Public Space CCTV Control Room and those responsible for the operation of the System

- 6.1.1 Only authorised personnel who have been trained to use the PS CCTV System's equipment and in the PS CCTV Control Room procedures will operate the PS CCTV System.
- 6.1.2 Every person involved in the management and operation of the PS CCTV System will be personally issued with a copy of both the Code of Practice and the PS CCTV Procedure Manual. They will be required to sign to confirm understanding of and adherence to the obligations that these documents place upon them and that any breach will be considered a disciplinary offence contrary to the Code of Conduct. He or she will be fully conversant with the contents of both documents, which may be updated from time to time. They will comply with both documents as far as is reasonably practicable.
- 6.1.3 All persons involved with the PS CCTV System shall receive training in respect of the PS CCTV Code of Practice, the PS CCTV Procedure Manual and legislation relevant to their role. Such training will be updated as and when necessary.

6.2 Discipline

- 6.2.1 Each individual having responsibility under the terms of the Code of Practice, who has any involvement with the PS CCTV System to which it refers, will be subject to the Authority's Disciplinary Code. Any breach of the Code of Practice, or of any aspect of confidentiality, will be dealt with in accordance with that Authority's Disciplinary Code.
- 6.2.2 The Designated Officers will have primary responsibility for ensuring that there is no breach of security and that the Code of Practice is complied with. The Designated Officers will have day-to-day responsibility for the PS CCTV Control Room and for adhering to the Code of Practice. Non-compliance with the Code of Practice by any person will be considered a breach of conduct and will be dealt with accordingly, including, if appropriate, by criminal proceedings.

6.3 Declaration of Confidentiality

- 6.3.1 Every individual with responsibility under the terms of this Code of Practice, who has any involvement with the PS CCTV System to which it refers, will be required to sign a separate declaration of confidentiality. See Appendix B.
- 6.3.2 Police Officers visiting the PS CCTV Control Room for operational purposes must agree to the declaration of confidentiality by completing and signing the Visitor Log Book.

Section 7 Control and Operation of Public Space CCTV System

7.1 Guiding Principles

- 7.1.1 All persons operating the PS CCTV System must act with the utmost probity and integrity at all times.
- 7.1.2 Only persons, who have been trained in their use and the legislative implications of such use, will operate the cameras and the recording and reviewing equipment.
- 7.1.3 Every use of the cameras will accord with the purposes and key objectives of the PS CCTV System and shall be in compliance with this Code of Practice.
- 7.1.4 Cameras will not be used to look into private residential properties. 'Privacy zones' have been programmed into the PS CCTV System, whenever practically possible, in order to ensure that any interior of any private residential property is not surveyed by the cameras.
- 7.1.5 The PS CCTV System has been set up on a 'record only' basis with no 'live-monitoring' taking place, however the PS CCTV System has the facility to 'live-monitor' all cameras but this will only be used in the event of exceptional and emergency circumstances.
- 7.1.6 Temporary 'Live- monitoring' may take place and be unavoidable when conducting essential maintenance or testing of the PS CCTV System.
- 7.1.7 In the event of any 'live-monitoring' having to taking place camera operators will have no ability to pan, zoom or tilt any cameras on the System. All cameras have a fixed view which cannot be moved by the operator.
- 7.1.8 Camera operators must always be mindful of exercising prejudices, which may lead to complaints of the PS CCTV System being used for purposes other than those for which it is intended. The operators may be required to justify their interest in, or recording of, any particular individual or group of individuals or property.

7.2 Public Space CCTV Control Room

- 7.2.1 Only staff that are trained and authorised to use the CCTV equipment will have access to the PS CCTV System.

7.3 Operation of the Public Space CCTV System by the Police

- 7.3.1 Under some circumstances the Police may make a request to assume direction of the PS CCTV System to which this Code of Practice applies. Any requests must be made in writing by a police officer not below the rank of Superintendent. Any such request will only be allowed on the written authority of the Managing Director, or the Senior Information Risk Owner (SIRO).
- 7.3.2 In the event of such a request being allowed, the PS CCTV Control Room will be operated by those personnel who are authorised to do so and who fall within the terms of Sections 6 and 7 of this Code of Practice. They will then operate under the direction of the Police Officer designated in the written authority.
- 7.3.3 In extreme circumstances a request may be made by the Police to take total control of the PS CCTV System, including the staffing of the PS CCTV Control Room and control of all associated equipment, to the exclusion of all representatives of the PS CCTV System owners. Any such request must be made to the Designated Officers in the first instance, who will consult personally with the Nominated Chief Officer and SIRO. A request for total exclusive control must be made in writing by a Police Officer not below the rank of Superintendent or person of equal standing. A member of the PS CCTV team will be present at all time during the takeover of the facility.

7.4 Maintenance of the PS CCTV System

- 7.4.1 To ensure compliance with the Surveillance Camera Commissioner's Code of Practice and to ensure that images recorded continue to be of an appropriate evidential quality, the PS CCTV System shall be maintained in accordance with the requirements of the PS CCTV Procedural Manual under a maintenance Service Level Agreement.
- 7.4.2 The maintenance Service Level Agreement will make provision for regular or periodic service checks on the equipment. This will include cleaning of any all-weather domes or housings, checks on the functioning of the equipment, and any minor adjustments that need to be made to the equipment settings to maintain picture quality.
- 7.4.3 The maintenance Service Level Agreement will also include provision for regular periodic review and overhaul of all the equipment and replacement of equipment, which is reaching the end of its serviceable life.
- 7.4.4 The maintenance Service Level Agreement will also provide for 'emergency' attendance on site by a specialist CCTV engineer to rectify any loss or severe degradation of image or camera control.

- 7.4.5 The maintenance Service Level Agreement will define the maximum periods of time permitted for attendance by the engineer and for rectification of the problem, depending upon the severity of the event, and the operational requirements of that element of the PS CCTV System.
- 7.4.6 It is the responsibility of the Nominated Chief Officer to ensure appropriate records are maintained in respect of the functioning of the cameras and the response of the contracted maintenance organisation.

Section 8 Access to, and Security of the CCTV Control Room and Associated Equipment

8.1 Authorised Access

8.1.1 Only trained and authorised personnel will operate the equipment located within the PS CCTV Control Room or equipment associated with the System.

8.2 Public access

8.2.1 Public access to the monitoring and recording facility will be prohibited except for lawful, proper and sufficient reasons, and only then with the personal authority of the Managing Director or Senior Information Risk Owner (SIRO). Any such visits will be conducted and recorded in accordance with the PS CCTV Procedure Manual.

8.3 Authorised Visits

8.3.1 Visits by lay visitors or inspectors or auditors do not fall within the scope of the above paragraph and may take place at any time, without prior warning. No more than two inspectors or auditors may visit at any one time. Inspectors or auditors will not influence the operation of any part of the PS CCTV System during their visit. The visit will be suspended in the event of it being operationally inconvenient. Any such visit should be recorded in the same way as that described above.

8.4 Declaration of Confidentiality

8.4.1 Regardless of their status, all visitors to the PS CCTV Control Room, including inspectors and auditors, will be required to have their personal details entered into the Visitor's Book and read and sign a declaration of confidentiality.

8.5 Security

8.5.1 In the event of the PS CCTV Control Room having to be evacuated for safety or security reasons, the provisions of the Procedure Manual will be complied with. The PS CCTV Control Room will be secure at all times by 'Magnetic-Locks' and access will only be gained via a Designated Officer's unique electronic identification card and its authorised permission.

8.6 Airwaves Radio

8.6.1 Due to the PS CCTV System being a 'record-only' system with no 'live-monitoring' (except in exceptional circumstances) Designated Officers are not currently issued with Airwaves Radio to communicate directly with the Police. No Airwaves Radios will be stored at the PS CCTV Control Room. The Code of Practice and PS CCTV Procedure Manual can be adapted should this change in the future.

Section 9 Management of Recorded Material

9.1 Guiding Principles

- 9.1.1 For the purposes of this Code of Practice 'recorded material' means any material recorded by, or as the result of, technical equipment, which forms part of the PS CCTV System. This specifically includes images recorded digitally or by way of data copying, including still prints.
- 9.1.2 Every video or digital recording obtained using the PS CCTV System has the potential of containing material that can be admitted in evidence in proceedings in the Criminal Justice System.
- 9.1.3 Members of the community must have complete confidence that information about their ordinary, everyday activities recorded on the PS CCTV System, will be treated with due regard to their individual right to respect for their private and family life.
- 9.1.4 It is of the utmost importance that, irrespective of the means or format of the images obtained from the PS CCTV System, e.g. Paper Copy, Hard Copy Disc Drive, DVD, CD or any form of electronic processing and storage is treated strictly in accordance with the PS CCTV Code of Practice and the PS CCTV Procedure Manual. This applies from the moment they are recorded until their final destruction. Every movement and usage will be recorded.
- 9.1.5 Recorded material will not be copied, sold, otherwise released or used for commercial purposes of any kind other than for legitimate third party/insurance requests.

9.2 Disclosure of Data to a Third Party

- 9.2.1 Every request for the release of personal data generated by the PS CCTV System will be channelled through the CCTV System Manager, who will ensure that the principles contained within Appendix C to this PS CCTV Code of Practice are followed at all times.

The disclosure of personal data for commercial or entertainment purposes is specifically prohibited.

- 9.2.2 In complying with the National Standard for the Release of Data to Third Parties, it is intended, as far as is reasonably practicable, to safeguard the rights of the individual to privacy and to give effect to the following principles:
- recorded material shall be processed lawfully and fairly, and be used only for the purposes defined in this Code of Practice;
 - access to recorded material will only take place in accordance with the standards outlined in Appendix C and this Code of Practice; and
 - The release or disclosure of Personal Data for commercial or entertainment purposes is specifically prohibited.

- 9.2.3 Members of the Police Service or other Law Enforcement Agency having a statutory authority to investigate and/or prosecute offences may, subject to compliance with Appendix C, release details of recorded information to the media in an effort to identify alleged offenders or potential witnesses. Under such circumstances, full details will be recorded in accordance with the PS CCTV Procedure Manual.

Note: The Police and Criminal Evidence Act (PACE) 1984, covers release to the media of recorded information, in any format, which may be part of a current investigation. Any such disclosure should only be made after due consideration of the likely impact on a criminal trial. Full details of any media coverage must be recorded and brought to the attention of both the prosecutor and the defence.

- 9.2.4 It may be beneficial to make use of ‘real time’ video footage for the training and education of those involved in the operation and management of PS CCTV systems, and for those involved in the investigation, prevention and detection of crime. Any material recorded by virtue of the PS CCTV System may be used for such bona fide training and education purposes.

9.3 Digital System- Provision & Quality

- 9.3.1 To ensure the quality of footage, and that recorded information meets the criteria outlined by current Home Office guidelines, only media of good quality are used on the PS CCTV System.

9.4 Information – Retention

- 9.4.1 Recorded media which has been preserved after a lawful request will be retained for a maximum period of 6 months for collection, or to establish if “non-evidential” or similar. Deletion or destruction will take place in accordance with the manufacturer’s requirements and full details of all material deleted or destroyed will be logged.

9.5 Recording Policy

- 9.5.1 Subject to the equipment functioning correctly, images from most cameras will be recorded throughout every 24-hour period for a period of 31 days after which the data is automatically overwritten unless requested and preserved for a lawful purpose.

- 9.5.2 Subject to the equipment functioning correctly, images from a few cameras on the PS CCTV System will be recorded for a period of no longer than 7 days after which the data is automatically overwritten. The locations of these cameras presents technical difficulties preventing the data being retained for longer periods without it being downloaded and preserved.

9.6 Evidence Provision

- 9.6.1 In the event of images being required for evidential purposes the procedures outlined in the PS CCTV Procedure Manual will be strictly complied with.

Section 10 Digital Still Photographs

10.1 Guiding Principles

- 10.1.1 A digital still photograph is a copy of an image or images which already exist on a computer disc. Such still images are within the definitions of 'data' and 'recorded material'.
- 10.1.2 Digital still photographs will not be taken as a matter of routine. When a still image is recorded, it must be capable of justification by the originator, who will be responsible for recording the full circumstances under which the still is taken, in accordance with the PS CCTV Procedure Manual and including them being individually numbered.
- 10.1.3 Digital still photographs contain personal data and will therefore only be disclosed under the terms of Appendix C of this Code of Practice- 'Disclosure of data to third parties'. If stills are released to the media, in compliance with Appendix C, in an effort to identify alleged offenders or potential witnesses, full details will be recorded in accordance with the PS CCTV Procedure Manual.
- 10.1.4 A record will be maintained of all digital still photograph productions, in accordance with the PS CCTV Procedures Manual. The recorded details will include a sequential number, the date, time and location of the incident, the date and time of the production of the print, the identity of the person requesting the print, (if relevant) and the purpose for which the print was taken.
- 10.1.5 The records of the digital still photographs taken will be subject to audit in common with all other records in the PS CCTV System.

Section 11 Regulation of Investigatory Powers Act 2000 (RIPA)

11.1 Guiding Principles

- 11.1.1 The Public Space CCTV System Owner has adopted a Policy Statement in relation to the Regulation of Investigatory Powers Act 2000. This Policy Statement complies with the Home Office Covert Surveillance Codes of Practice and is periodically audited by the IPCO (Investigatory Powers Commissioner). An annual report on the use of RIPA is submitted by the Council to the IPCO.
- 11.1.2 The PS CCTV System Owner does not currently have a joint working protocol in place with Gwent Police with regard to the use of the Public Space CCTV Systems for surveillance authorised by the Regulation of Investigatory Powers Act 2000 (RIPA).
- 11.1.3 Advice and guidance for Designated CCTV Officers and Police Officers in respect of Public Space CCTV Systems and the Regulation of Investigatory Powers Act of 2000 (RIPA) is reproduced in Appendix E.

Appendix A

Key Personnel and Responsibilities

1. System Owner

Blaenau Gwent County Borough Council is the 'System Owner' of the Public Space CCTV system.

Blaenau Gwent County Borough Council,
Municipal Offices, Civic Centre,
Ebbw Vale, NP23 6XB
Tel: 01495 311556

2. Nominated Chief Officer

The Nominated Chief Officer is the nominated representative on behalf of the 'System Owner'; this role is performed by the Head of Governance and Partnerships.

Blaenau Gwent County Borough Council,
Municipal Offices, Civic Centre,
Ebbw Vale, NP23 6XB
Tel: 01495 311556

The Nominated Chief Officer role will include responsibility to:

- a) Ensure the provision and maintenance of all equipment forming part of the PS CCTV System in accordance with contractual arrangements, which the owners may from time to time, enter into.
- b) Maintain close liaison with the CCTV System Manager.
- c) Ensure the interests of the 'System Owners' and other organisations are upheld in accordance with the terms of this Code of Practice.
- d) Agree to any proposed alterations and additions to the system, this Code of Practice and/or the Public Space CCTV Procedural Manual.

3. Senior Responsible Officer (SRO) - Senior Information Risk Officer (SIRO)

The role of (SIRO) is performed by the Chief Officer Resources.

Blaenau Gwent County Borough Council,
Municipal Offices, Civic Centre,
Ebbw Vale, NP23 6XB
Tel: 01495 311556

The Senior Information Risk Officer (SIRO) will perform the role of Senior Responsible Officer (SRO), and will be responsible to:

- a) complete the Surveillance Camera Commissioner's Self-Assessment Toolkit. Through the questionnaire they should identify any changes to the system, whether the system remains fit for purpose and whether a maintenance contract is still in place for the system.
- b) Authorise overt surveillance utilising the PS CCTV System and the Deployable mobile cameras.
- c) Authorise any changes to the PS CCTV System.
- d) Agree any significant changes to this Code of Practice and the PS CCTV Procedure Manual.

4. CCTV System Manager

The CCTV System Manager is the 'manager' of the Blaenau Gwent County Borough Council PS CCTV System. They have delegated authority for data control on behalf of the 'data controller'.

Blaenau Gwent County Borough Council,
Municipal Offices,
Civic Centre,
Ebbw Vale,
NP23 6XB
Tel: 01495 311556

The CCTV System Manager is responsible for the integrity, security, procedural efficiency and methods of operation of the System, including the gathering, retention and release of CCTV data.

Their role also includes responsibility to

- a) accept overall responsibility for the system and for ensuring that this Code of Practice and the Procedure Manual is complied with;
- b) provide supervision and training of all Designated CCTV Operators authorised to assist in the operation of the System; and
- c) to maintain direct liaison with partners.

5. Designated CCTV Operators

The Nominated Chief Officer and SIRO will identify Designated CCTV Operators to support the CCTV System Manager. The Designated CCTV Operators will be appropriately trained and will be responsible for the integrity, security, procedural efficiency and methods of operation of the System.

Appendix B

Public Space CCTV Control Room System - Declaration of Confidentiality/ Non-Disclosure Agreement

This confidentiality agreement acknowledges that my duties allow me access to the Public Space CCTV Control Room or data processed by the Public Space CCTV System.

I agree that I have read the Code of Practice in respect of the operation and management of the Public Space CCTV System, and hereby declare that I have familiarised myself with the content of that Code of Practice and understand that all duties, which I undertake in connection with the Blaenau-Gwent County Borough Council Public Space CCTV System, must not contravene any part of the current Code of Practice, or any future amendments of which I am made aware. If now, or in the future, I am or become unclear of any aspect of the operation of the PS CCTV System or the content of the Code of Practice, I undertake to seek clarification of any such uncertainties.

I understand that my part in fulfilling the duties of my role means that I may have access to sensitive and personal information and that such access shall include:

- reading or viewing of information held on computer or displayed by some other electronic means,
- reading or viewing manually held information in written, printed or photographic form, or
- overhearing any telephone or verbal communication.

I undertake that:

- I shall not communicate to nor discuss with any other person the contents of the information except to those persons authorised by the Data Controller as is necessary.
- I shall not retain, extract, copy or in any way use any information to which I have been afforded access during the course of my duties for any other purpose.
- I will only operate computer applications or manual systems that I have been instructed to use or given access permissions to access in compliance with the Data Protection Act 2018 which prescribes the way in which personal data may be obtained, stored and processed.
- I will act only under instruction from Senior Management or other relevant officials in the processing of any Data.
- I will comply with the appropriate physical and system security procedures made known to me by the Data Controller.

I understand that any Information is subject to the provisions of the General Data Protection Regulation 2016 and that by knowingly or recklessly acting outside the scope of this Agreement I may incur criminal and/or civil liabilities and subject to the internal disciplinary procedures.

I undertake to seek advice and guidance from Senior Management or other relevant official of the Data Controller in the event that I have any doubts or concerns about my responsibilities or the authorised use of the Data defined in the Agreement.

I have read, understood and accept the above.

In appending my signature to this declaration, I agree to abide by the Code of Practice at all times. I also understand and agree to maintain confidentiality in respect of all information gained during the course of my duties, whether received verbally, in writing or any other media format - now or at any in the future (including such time that I have ceased to be employed by Blaenau-Gwent County Borough Council).

Name:.....

Signature:

Witness:

Position:

Date:

Appendix C

National Standard for the Release of Data to Third Parties

1. Introduction

- 1.1 CCTV is one of the most powerful tools to be developed during recent years to assist with efforts to combat crime and disorder, whilst enhancing community safety. Equally, it may be regarded by some as the most potent infringement of people's liberty. If users, owners and managers of such systems are to command the respect and support of the general public, CCTV systems must be used with the utmost probity at all times and in a manner, which stands up to scrutiny by the people they are aiming to protect.
- 1.2 Blaenau Gwent County Borough Council believes that everyone has the right to respect for their private and family life and home. Although the use of CCTV cameras has become widely accepted in the UK as an effective security tool, those people who do express concern tend to do so over the handling of the information (data) which the CCTV System gathers. The PS CCTV System Owners are aware of the nationally recommended standard of The CCTV User Group. <https://www.cctvusergroup.com/>

2. General Policy on disclosure/sharing

- 2.2 All requests for the release of data shall be processed in accordance with the PS CCTV Procedure Manual. All such requests shall be channelled through the data controller.

3. Primary Request to View Data

- a) Primary requests to view data generated by a CCTV System are likely to be made by third parties for any one or more of the following purposes:
- i) Providing evidence in criminal proceedings (e.g. Police and Criminal Evidence Act 1984, Criminal Procedures & Investigations Act 1996, etc.);
 - ii) Providing evidence in civil proceedings or tribunals;
 - iii) The prevention of crime;
 - iv) The investigation and detection of crime (may include identification of offenders); and
 - v) Identification of witnesses.
- b) Third parties, who are required to show adequate grounds for disclosure of data within the above criteria, may include, but are not limited to:
- i) Police (Note 1 below);
 - ii) Statutory authorities with powers to prosecute, (e.g. Customs and Excise, Trading Standards, etc.);
 - iii) Solicitors (Note 2 below);
 - iv) Plaintiffs and defendants in civil proceedings (Note 3 below);

- v) Accused persons or defendants in criminal proceedings (Note 3 below); and
 - vi) Other agencies, (which should be specified in the Code of Practice) according to purpose and legal status. (Note 4 below)
- c) Upon receipt from a third party of a bona fide request for the release of data, the data controller shall:
- i) Not unduly obstruct a third party investigation to verify the existence of relevant data; and
 - ii) Ensure the retention of data which may be relevant to a request, but which may be pending application for, or the issue of, a court order or subpoena. A time limit shall be imposed on such retention, which will be notified at the time of the request.
- d) In circumstances outlined at note 3 below, (requests by plaintiffs, accused persons or defendants) the data controller, or nominated representative, shall:
- i) Be satisfied that there is no connection with any existing data held by the police in connection with the same investigation; and
 - ii) Treat all such enquiries with strict confidentiality.

Notes:

(1) The release of data to the police is not to be restricted to the civil police but could include, for example, British Transport Police, Ministry of Defence Police, or Military Police. (It may be appropriate to put in place special arrangements in response to local requirements).

(2) Aside from criminal investigations, data may be of evidential value in respect of civil proceedings or tribunals. In such cases a solicitor, or authorised representative of the tribunal, is required to give relevant information in writing prior to a search being granted. In the event of a search resulting in a requirement being made for the release of data, such release will only be facilitated on the instructions of a court order or subpoena. A charge may be made for this service to cover costs incurred. In all circumstances data will only be released for lawful and proper purposes.

(3) There may be occasions when an enquiry by a plaintiff, an accused person, a defendant or a defence solicitor, falls outside the terms of disclosure or subject access legislation. An example could be the investigation of an alibi. Such an enquiry may not form part of a prosecution investigation. Defence enquiries could also arise in a case where there appeared to be no recorded evidence in a prosecution investigation.

(4) The data controller shall decide which (if any) 'other agencies' might be permitted access to data. Having identified those 'other agencies', such access to data will only be permitted in compliance with this Standard.

(5) The data controller can refuse an individual request to view if insufficient or inaccurate information is provided. A search request should be reasonably specific, for example, specified to the nearest half-hour.

4. Secondary Request to View Data

- a) A 'secondary' request for access to data may be defined as, 'any request being made, which does not fall into the category of a primary request'. Before complying with a secondary request, the data controller shall ensure that:
- i) The request does not contravene, and that compliance with the request would not breach, current relevant legislation, (e.g. GDPR and The Data Protection Act 2018, Human Rights Act 1998, section 163 Criminal Justice and Public Order Act 1994, etc.);
 - ii) Any legislative requirements have been complied with, (e.g. the requirements of GDPR and The Data Protection Act 2018);
 - iii) Due regard has been taken of any known case law (current or past) which may be relevant, (e.g. R v Brentwood BC ex p. Peck); and
 - iv) The request would pass a test of 'disclosure in the public interest' (Note 1 below)
- b) If, in compliance with a secondary request to view data, a decision is taken to release material to a third party, the following safeguards shall be put in place before surrendering the material:
- i) in respect of material to be released under the auspices of 'crime prevention', written agreement to the release of the material should be obtained from a police officer, not below the rank of Inspector. The officer should have personal knowledge of the circumstances of the crime/s to be prevented and an understanding of this Code (Note 2 below); and
 - ii) if the material is to be released under the heading of 'public wellbeing, health or safety', written agreement to the release of material should be obtained from a senior officer within the Local Authority. The officer should have personal knowledge of the potential benefit to be derived from releasing the material and an understanding of this Code.
- c) Recorded material may be used for bona fide training purposes such as for police or staff training. Under no circumstances will recorded material be released for commercial sale or entertainment purposes.

Notes:

- (1) 'Disclosure in the public interest' could include the disclosure of personal data that:
- i) Provides specific information, which would be of value or interest to the public well-being;
 - ii) Identifies a public health or safety issue; and
 - iii) Assists in the prevention of crime.

(2) The disclosure of personal data, which is the subject of a 'live' criminal investigation, would always come under the terms of a primary request, (see iii above).

5. Individual Subject Access under Data Protection legislation

- a) Under the terms of Data Protection legislation, individual access to personal data, of which that individual is the data subject, must be permitted providing:
- i) The request is made in writing;
 - ii) No fees will be charged for subject access requests.
 - iii) The data controller is supplied with sufficient information to satisfy him as to the identity of the person making the request;
 - iv) Sufficient and accurate information is provided about the time, date and place to enable the data controller to locate the information that the person seeks. It is recognised that a person making a request is unlikely to know the precise time. In such circumstances it is suggested that accuracy to within one hour would be a reasonable requirement; and
- b) In the event of the data controller complying with a request to supply a copy of the data to the subject, only data pertaining to the individual should be copied. All other personal data, which may facilitate the identification of any other person, should be concealed or erased. Under these circumstances an additional fee may be payable.
- c) The data controller is entitled to refuse an individual request to view data under these provisions if insufficient or inaccurate information is provided. However, every effort should be made to comply with subject access procedures and each request should be considered on its own merits.
- d) In addition to the principles contained within the Data Protection legislation, the data controller should be satisfied that the data is:
- i) Not currently and, so far as can be reasonably ascertained, not likely to become part of a 'live' criminal investigation;
 - ii) Not currently and, so far as can be reasonably ascertained, not likely to become relevant to civil proceedings;
 - iii) Not the subject of a complaint or dispute, which has not been actioned;
 - iv) The original data and that the audit trail has been maintained;
 - v) Not removed or copied without proper authority; and
 - vi) For individual disclosure only (i.e. to be disclosed to a named subject).

6. Process of Disclosure

- a) Verify the accuracy of the request.
- b) Replay the data to the requester only, or responsible person acting on behalf of the person making the request.
- c) The viewing should take place in a separate room and not in the control or monitoring area. Only data that is specific to the search request shall be shown.
- d) It must not be possible to identify any other individual from the information being shown, (any such information will be blanked-out, either by means of electronic screening or manual editing on the monitor screen).
- e) If a copy of the material is requested and there is no on-site means of editing out other personal data, the material shall be sent to an editing house for processing prior to being sent to the requester.

7. Media disclosure

7.1.1 Set procedures for release of data to a third party must be followed. If the means of editing out other personal data does not exist on-site, measures should include the following:

- a) In the event of a request from the media for access to recorded material, the procedures outlined under 'secondary request to view data' shall be followed. If material is to be released the following procedures shall be adopted:
 - i) The release of the material must be accompanied by a signed release document that clearly states what the data will be used for and sets out the limits on its use;
 - ii) The release document shall state that the receiver must process the data in a manner prescribed by the data controller, e.g. specific identities or data that must not be revealed;
 - iii) The release document shall require that following editing and prior to its use by the media, the data must be passed back to the data controller, either for final approval or consent to its use. This protects the position of the data controller who would be responsible for any infringement of Data Protection legislation and the System's Code; and
 - iv) The release document shall be considered a contract and signed by both parties as such. The signatories must have the requisite standing to sign in that capacity on behalf of their respective organisations.

8. Principles

8.1.1 In adopting this national standard for the release of data to third parties, it is intended, as far as reasonably practicable, to safeguard the individual's rights to privacy and to give effect to the following principles:

- a) Recorded material shall be processed lawfully and fairly and used only for the purposes defined in the Code for the CCTV scheme;
- b) Access to recorded material shall only take place in accordance with this Standard and the Code; and
- c) The release or disclosure of data for commercial or entertainment purposes is specifically prohibited.

Appendix D

Confidentiality Agreement Lay Visitors

I am a Lay Visitor of the Blaenau Gwent County Borough Council's Public Space CCTV System with a responsibility to monitor the operation of the System and adherence to the Code of Practice. I have received a copy of the Code in respect of the operation and management of that CCTV System.

I confirm that I am fully conversant with my voluntary duties and the content of the Code of Practice. I undertake to inform the Designated CCTV Officers of any apparent contravention of the Code of Practice that I may note during the course of my visits to the Public Space CCTV Control Room.

If now, or in the future I am, or I become unclear of any aspect of the operation of the CCTV System or the content of the Code of Practice, I undertake to seek clarification of such uncertainties.

I understand that it is a condition of my duties that I do not disclose or divulge any information which I have acquired in the course of, or in connection with, my position as a Lay Visitor to any company, authority, agency, other organisation or any individual. This includes information obtained verbally, in writing or by any other media, now or in the future. I understand that this prohibition remains binding after I have ceased to perform duties as a Lay Visitor.

In signing this declaration, I agree to abide by, and be bound by, the Code of Practice. I understand and agree to maintain confidentiality in respect of all information gained during the course of my voluntary duties, now, or in the future.

Signed:.....

Print Name:

Witness:

Position:

Dated the (day) of(month) 20.....

Appendix E

Regulation of Investigatory Powers Act (RIPA) Guiding Principles

Advice and Guidance for Control Room Staff and Police in respect of CCTV and the Regulation of Investigatory Powers Act 2000

The Regulation of Investigatory Powers Act 2000 (RIPA) relates to surveillance by the Police and other agencies with investigatory powers, and deals in part with the use of directed covert surveillance. Section 26 of this Act sets out what is Directed Surveillance. It defines this type of surveillance as:

'Subject to subsection (6), surveillance is directed for the purposes of this Part if it is covert but not intrusive and is undertaken:

- a) for the purposes of a specific investigation or a specific operation
- b) in such a manner as is likely to result in the obtaining of private information about a person (whether or not one specifically identified for the purposes of the investigation or operation) and
- c) otherwise than by way of an immediate response to events or circumstances the nature of which is such that it would not be reasonably practicable for an authorisation under this Part to be sought for the carrying out of the surveillance.

The impact for staff in the Public Space CCTV Control Room is that there might be cause to monitor for some time a person or premises using the cameras. In most cases, this will fall into sub section (c) above, i.e. it will be an immediate response to events or circumstances. In this case, it would not require authorisation unless it were to continue for some time. The Code says some hours rather than minutes.

In cases where a pre-planned incident or operation wishes to make use of CCTV for such monitoring, an RIPA authority will almost certainly be required.

Slow time requests are authorised by a Police Superintendent or above.

If an authorisation is required immediately, a Police Inspector may do so. The forms in both cases must indicate the reason and should fall within one of the following categories:

An authorisation is necessary on grounds falling within this subsection if it is necessary:

- a) in the interests of national security
- b) for the purpose of preventing or detecting crime or of preventing disorder
- c) in the interests of the economic well-being of the United Kingdom
- d) in the interests of public safety
- e) for the purpose of protecting public health
- f) for the purpose of assessing or collecting any tax, duty, levy or other imposition, contribution or charge payable to a government department or
- g) for any purpose (not falling within paragraph (a) to (f)) which is specified for the purposes of this subsection by an order made by the Secretary of State.

In cases where there is doubt as to whether an authorisation is required or not, it may be prudent to obtain the necessary authority verbally, followed by written confirmation using the forms. Any authority given should be recorded appropriately for later reference. This should include the name of the officer authorising.

Forms should be available at the CCTV Control Room and are included in the PS CCTV Procedure Manual and available from the CCTV User Group Website.

Examples:

Inspector's Authorisation

An example of a request requiring an Inspector's authorisation might be where a car is found in a car park late at night and is known to belong to drug dealers. The officers might task CCTV to watch the vehicle over a period of time to note who goes to and from the vehicle.

Superintendent's Authorisation

An example here might be where it is suspected that shop premises are being utilised for dealing stolen goods and officers wish to use the Public Space CCTV to monitor the premises from outside for a period of days.

No Authorisation Required

An example might be where Police Officers chance upon local drug dealers sitting in the town centre and, in order not to divulge that they are being observed they ask CCTV operators to monitor them.

Agenda Item 8

Executive Committee and Council only

Date signed off by the Monitoring Officer:

Date signed off by the Section 151 Officer:

Committee: **Corporate Overview Scrutiny Committee**

Date of meeting: **5th March 2021**

Report Subject: **Use of Consultants**

Portfolio Holder: **Councillor Nigel Daniels, Leader / Executive Member Corporate Services**

Report Submitted by: **Rhian Hayden - Chief Officer Resources**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
✓	17/12/2021	20.02.21			05/03/2021			

1. Purpose of the Report

- 1.1 To provide Members with the information requested, relating to expenditure incurred during 2018/2019 and 2019/2020 on the use of consultants to support, supplement and complement the work of Officers across the Council.

2. Scope and Background

- 2.1 Consultants are widely used across the whole public sector including Welsh Government for a number of different purposes. At Blaenau Gwent (BG) we use consultants in a number of ways:
- To provide assistance in specialist areas where there is no or limited expertise or experience within the Council e.g. treasury management, VAT, Legal
 - To provide independent advice and a different perspective (challenge)
 - To supplement resources where there is insufficient capacity to undertake a specific, identified task e.g. because the work has come into the Council unexpectedly, or where the work needs to be progressed within a specific / limited time period.
 - To provide training to BG staff to enhance their own expertise e.g. changes to legislation
- 2.2 The advantage of engaging Consultants is also that they are only needed for a shorter period of time enabling an organisation to pay for that skill on demand only when they need it. This is often an effective use of the Council's resource and avoids / replaces the need to employ additional staff, with specialist knowledge & skills, on a permanent basis.
- 2.3 During 2018/19 and 2019/20 the Council spent a total of £0.7m & £1.1m on Consultants across all services, the attached appendix identifies those Consultants, the costs and the reason for engagement relating to the Corporate Services portfolio. Each Scrutiny will receive a similar report covering their areas of responsibility.

3. Options for Recommendation

3.1 Option 1:

To note the use of consultants and accept the report.

3.2 Option 2:

To note and challenge the use of consultants.

4. Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan

Corporate Plan 2018-22, Blaenau Gwent County Borough Council

This proposal supports the amendments made to the Outcome Statements within the Corporate Plan in its review in July 2020.

Corporate Plan 2020/22 Outcome Statements:

- Protect and enhance our environment and infrastructure to benefit our communities
- To enable people to maximise their independence, develop solutions and take an active role in their communities
- An ambitious and innovative council delivering the quality services we know matter to our communities

5. Implications Against Each Option

5.1 *Impact on Budget (short and long term impact)*

5.1.1 The attachment at Appendix 1 details the cost of consultants commissioned by the Council for the period 2018/2019 and 2019/2020 for the Corporate Services Portfolio.

5.1.2 The costs incurred are summarised below:

Funding Stream	2018/2019 £	2019/2020 £
Capital:		
Internal	0	3,000
External (Grant)	0	0
Total Capital	0	3,000
Revenue:		
Internal	97,904	293,564
External (Grant)	2,850	39,067
Total Revenue	100,754	332,631
Total Expenditure	100,754	335,631

- 5.1.3 The table above highlights that for Corporate Services portfolio 9.6% of the expenditure incurred on consultants have been funded externally either by grant or contributions from partner organisations
- 5.2 ***Risk including Mitigating Actions***
The risks associated with not engaging specialist consultants when needed could result in negligence, poor project outcomes, insufficient resources, unable to draw down external funding, existing staff under excessive pressure and the Council being taken to court.
- 5.3 ***Legal***
No legal issues associated with this report.
- 5.4 ***Human Resources***
The HR impacts are included in the risks but will include excessive pressure on staff if consultants were not available. Specialist expertise missing in certain areas of the service which could also lead to legal liabilities for the Council or opportunities missed for progressing projects to support the local communities or economy.
6. **Supporting Evidence**
- 6.1 ***Performance Information and Data***
Performance data is attached at Appendix 1.
- 6.2 ***Expected outcome for the public***
- 6.2.1 The use of Consultants is key in supporting the Council to deliver both capital and revenue projects, the outcome of which is new, improved, quality services and facilities for the residents of Blaenau Gwent.
- 6.3 ***Involvement (consultation, engagement, participation)***
- 6.3.1 The procurement of consultants will comply with the Councils approved Standing Orders for Contracts.
- 6.4 ***Thinking for the Long term (forward planning)***
- 6.4.1 When considering future projects/schemes, professional fees/Consultancy costs are built into the outline project costs / Grant application.
- 6.5 ***Preventative focus***
- 6.5.1 The use of Consultants supports the Council to deliver on specific projects and initiatives. In some instances, this may result in the Council missing out on where otherwise the Council may miss out on opportunities, funding or project delivery.
- 6.6 ***Collaboration / partnership working***
N/A
- 6.7 ***Integration (across service areas)***
N/A
- 6.8 ***EqIA (screening and identifying if full impact assessment is needed)***
Screening has been undertaken and no full assessment is required.

7. **Monitoring Arrangements**

7.1 Monitoring will form part of the Project Management arrangements.

8. **Background Documents /Electronic Links**

- *Appendix 1 – Analysis of expenditure incurred on Consultancy Costs*

PORTFOLIO	SCHEME	CONSULTANT	DESCRIPTION OF WORKS	YEAR		Funded by
				2018/2019	2019/2020	
CAPITAL EXPENDITURE						
All Portfolios	The Company Shop - Tredegar	BURGES SALMON SOLICITORS	Professional Fees		3,000	Internal capital funding
TOTAL - CAPITAL EXPENDITURE				-	3,000	
REVENUE EXPENDITURE						
Corporate Services	Governance Directorate	ADRENALIN LTD	Commercial Consultancy (A Kemp)	21,513	-	
Corporate Services	Governance Directorate	AMEO PROFESSIONAL SERVICES LTD	Third Party Expenditure Review - identification of £1.4m savings opportunities (potential for more through use of the pyramid methodology)	-	205,823	Vacant posts & Earmarked Reserve
Corporate Services	Human Resources-General	BEVAN BRITTAN	Legal Advice on Organisation Development Policies	-	5,856	Revenue Budget
Corporate Services	Corporate Performance Team	CIVICA UK LTD	ICT Consultancy Fees - Planned Specialist support for software upgrades as part of ongoing contract	-	2,800	Revenue Budget
Corporate Services	IT - Employee & Transport Costs	CIVICA UK LTD	ICT Consultancy Fees - Planned Specialist support for software upgrades as part of ongoing contract	435	-	Revenue Budget
Corporate Services	Human Resources-General	GRAHAM JONES	Review of Policies and Procedures	5,000	-	Revenue Budget
Corporate Services	HR/Payroll Software Implementation	MIDLAND SOFTWARE LTD	ICT Consultancy Fees - Planned Specialist support for software upgrades as part of ongoing contract	8,745	-	Revenue Budget
Corporate Services	Human Resources-General	MIDLAND SOFTWARE LTD	ICT Consultancy Fees - Planned Specialist support for software upgrades as part of ongoing contract	-	10,620	Revenue Budget
Corporate Services	Governance Directorate	PERAGO-WALES LTD	Specialist Digital Officer support to create ICT Road Map	-	25,000	Revenue Budget (vacant post)
Corporate Services	Governance Directorate	SOLACE ENTERPRISES	Technical Assessor Support - 2 x Chief Officer roles	2,124	-	Revenue Budget
Corporate Services	IT - Employee & Transport Costs	TECTRADE COMPUTERS LIMITED	Consultancy	4,110	-	Revenue Budget
Financial Management	Resources - Management & Administration	BEVAN BRITTAN	Legal Cost re advice on Pensions	1,386	1,168	Revenue Budget
Financial Management	Resources - Management & Administration	CIPFA BUSINESS LTD	CIPFA Financial Model Review software - to enable more efficient submissions of VAT monthly returns to HMRC	2,850	39,067	External Grant - WLGA Revenue Budget & Earmarked Reserve
Financial Management	Resources - Accountancy	CIVICA UK LTD		5,950	13,980	
Financial Management	Resources - Management & Administration	F M G CONSULTING LTD	Specialist Advice - Leisure Review	-	8,000	Revenue Budget
Financial Management	Resources - Accountancy	LAVAT CONSULTING LIMITED	VAT Consultants - provision of advice	2,065	-	Revenue Budget

Financial Management	Revenues Account Amendments	NORTHGATE PUBLIC SERVICES (UK) LTD	ICT Consultancy Fees - Planned Specialist support for software upgrades as part of ongoing contract	1,100	-	Revenue Budget
Financial Management	Resources - Revenues Benefit Amendments	NORTHGATE PUBLIC SERVICES (UK) LTD	ICT Consultancy Fees - Planned Specialist support for software upgrades as part of ongoing contract	14,855	20,318	Revenue Budget
Financial Management	Resources - Accountancy	PRICEWATERHOUSECOOPERS	Specialist VAT advice, No Win No fee arrangements resulted in £160k VAT refund re Cultural Exemptions	30,621	-	Earmarked Reserve
TOTAL REVENUE EXPENDITURE				100,754	332,631	
TOTAL EXPENDITURE				100,754	335,631	

Agenda Item 9

Executive Committee and Council only

Date signed off by the Monitoring Officer: N/A

Date signed off by the Section 151 Officer: N/A

Committee: **Corporate Overview Scrutiny Committee**
Date of meeting: **5th March 2021**
Report Subject: **Forward Work Programme: 16th April 2021**
Portfolio Holder: **Cllr Nigel Daniels, Leader / Executive Member
Corporate Services**
Report Submitted by: **Cllr Stewart Healy, Chair of the Corporate
Overview Scrutiny Committee**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
x	x	20.02.21						

1. **Purpose of the Report**
 - 1.1 To present to Members the Corporate Overview Scrutiny Committee Forward Work Programme for the Meeting on 16th April 2021 for discussion and agreement.
2. **Scope and Background**
 - 2.1 The Scrutiny Work Programmes are key aspects of the Council's planning and governance arrangements and support the requirements of the Constitution.
 - 2.2 The topics set out in the Forward Work Programme link to the strategic work of the Council as identified by the Council's revised Corporate Plan, corporate documents and supporting business plans.
 - 2.3 Effective work programmes are essential to ensure that the work of scrutiny makes a positive impact upon the Council's delivery of services.
 - 2.4 The Committee's Forward Work Programme was agreed in September 2020, recognising the fluidity of the document to enable the Committee to respond to urgent and emerging issues, and included timescales when reports will be considered by the Committee. The work programme is managed and implemented by the Scrutiny and Democratic Officer under the direction of the Chair and Committee.
 - 2.5 The forward work programme for the forthcoming meeting will be presented to Committee on a 6 weekly cycle in order that Members can consider the programme of work; request information is included within the reports, as appropriate and / or make amendments to the work programme.

3. **Options for Recommendation**

3.1 **Option 1:** The Scrutiny Committee consider the Forward Work Programme for the meeting 16th April 2021, and

- Make any amendments to the topics scheduled for the meetings;
- Suggest any additional invitees that the committee requires to fully consider the reports; and
- Request any additional information to be included with regards to the topics to be discussed.

3.2 **Option 2:** The Scrutiny Committee agree the Forward Programme for the meeting 16th April 2021, as presented.

Background Documents /Electronic Links

- Appendix 1 – Forward Work Programme – Meeting on 16th April 2021

Corporate Overview Scrutiny Committee Forward Work Programme

Dates / Deadlines	Topic	Purpose	Lead	Executive / Council
Friday 16th April 2021 Deadline: Wednesday 31 st March 2021	1. Workforce Strategy	Pre Decision To consider the workforce strategy including change in circumstances following COVID and future working arrangements.	Andrea Prosser	Executive Council Approval
	2. Communications Strategy Monitoring	Performance Monitoring To consider the performance of the Communication Strategy, focus on the impact of the strategy during COVID19 Pandemic.	Bernadette Elias	Executive
	3. Commercial Strategy Monitoring	Performance Monitoring To consider performance of the Commercial Strategy, focus Strategic Commercial Board element. In depth look at each of the 5 elements.	Bernadette Elias	Executive

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